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Changes in Licensing for Certain Dairy Imports

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Preface

This publication explains the evolution of the licensing system for the cheese import program since its inception in 1951. The largest single change in this program came after the conclusion of the Tokyo Round of Multilateral Trade Negotiations (MTN) in 1979.

Although Bryant H. Wadsworth, Carol M. Harvey and Wayne A. Seney were the major contributors to this report, it could not have been done without the assistance of several other people in the Dairy, Livestock, and Poultry Division. These people include Phillip J. Christie, Pamela Darden, John Avey, Paula Fennell, Valerie Countiss, and Terri Lange. Questions on this publication may be directed to Bryant Wadsworth (202) 447-8031, Carol Harvey (202) 447-7217, or Phil Christie (202) 447-5270.

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Changes in Licensing for Certain Dairy Imports

By Bryant H. Wadsworth
Carol M. Harvey
Wayne A. Seney

Dairy, Livestock, and Poultry Division
Foreign Agricultural Service

Introduction

The Trade Agreements Act of 1979 (the Act), which ratified the agreements reached by the United States and other countries in the Tokyo Round of the Multilateral Trade Negotiations, required significant changes in the administration of the import licensing system that allocates certain dairy product quotas. The changes, implemented in Import Regulation 1 (7 CFR 6.20-6.32), were dictated in large part by section 701 of the Act and Presidential Proclamation 4708 of December 11, 1979.

The History of Dairy Import Quotas

Import quotas were first imposed on dairy products (butter, butter oil, casein, cheese, and dried skimmed milk) in August 1951 under authority of section 104 of the Defense Production Act of 1950 (P.L. 81-774), as a part of Defense Food Order No. 3. At that time economic pressures related to the Korean conflict were causing virtually all farm prices to increase sharply. Increasing prices stimulated imports, particularly from Europe where the dairy industries were beginning to make a good recovery from the effects of World War II. Section 104 gave the Secretary of Agriculture authority to impose import controls on commodities or products which if allowed to enter freely could have had adverse effects on (1) domestic production, (2) marketings and stocks, or (3) price support programs. When first implemented in 1951 the quotas covered all cheeses. Controls were administered through a licensing procedure which in effect allowed each importer to import in the coming year an amount not to exceed the amount imported in the previous year.

Eventually, certain cheeses were exempted from quota restrictions. By the time the Defense Production Act expired in the summer of 1953 the only cheeses still subject to quota were Italian-type cheeses made from cow's milk, Cheddar, Bluemold, and Edam and Gouda. Other dairy products subject to quota at that time were butter, butter oil, dried skim milk, dried whole milk, dried buttermilk, dried cream, and high fat malted milk compounds.

Prior to the expiration of the Defense Production Act (on June 30, 1953), these same commodities were put under quota by Presidential Proclamation (No. 3019 of June 8, 1953) under authority of section 22 of the Agricultural Adjustment Act of 1933, as amended. This was the first time section 22 authority was employed for controlling dairy product imports.

Under section 22, quotas may be established only by Presidential Proclamation, and may be made permanent only after formal investigation, including a public hearing, conducted by the United States International Trade Commission (ITC). The President acts on the advice of the Secretary of Agriculture and based on the findings and recommendations of the ITC. The basis provided by section 22 for the President to proclaim a quota is his determination, that the article or articles in question are being imported or are practically certain to be imported under conditions or in quantities that will render or tend to render ineffective or materially interfere with any price support or stabilization program conducted by the U.S. Department of Agriculture related to agricultural commodities or their products.

Since 1953 several new quotas have been established on dairy products and the size of many existing quotas have been altered. Since cheese quota imports account for the bulk of dairy products allowed to enter and the cheese importing business has tended to be highly complicated, most public and private attention has focused on cheese quotas.

At the time that the Tokyo Round of Multilateral Trade Negotiations (MTN) got under way in 1974 approximately half of the cheese entering the United States from abroad was subject to quotas. In addition to the original quota cheeses (Bluemold, Cheddar, Edam and Gouda, and Italian-type), Swiss-type cheeses and a large variety of unspecified cheeses made from cow's milk were subject to quota if their f.o.b. price was below the "pricebreak." The pricebreak was originally established by proclamation at a fixed level and then modified to 7 cents per pound above the applicable Commodity Credit Corporation's purchase price for Grade "A" Cheddar cheese in 40 pound blocks.

The Impact of the MTN

The Tokyo Round of the MTN was the seventh of a series of such negotiations held under the auspices of the General Agreement on Tariffs and Trade (GATT) which was established by the free world nations after World War II.

In a broad sense, the objective of the GATT (which now includes over 80 member countries) is to expand trade among its members, primarily through the reduction of tariffs and other trade barriers. The first six rounds of negotiations, although quite successful in terms of progress towards this objective as far as industrial items were concerned, were characterized by little or no progress in the area of trade barriers related to agriculture. This caused U.S. farmer representatives, whose constituents have obtained 20 percent or more of their income from agricultural exports, to be somewhat skeptical about the effectiveness and value of such rounds of trade negotiations. Consequently, the Congress made it clear in passing the Trade Act of 1974, authorizing the President to enter into the Tokyo Round, that substantial gains had to be made in the MTN for U.S. agriculture.

When negotiations began, officials of the European Community (EC), our largest trading partner in both agricultural and industrial items, made it clear that the EC would make no significant agricultural concessions unless the United States was willing to modify its dairy product import controls. This left the U.S. negotiators with a difficult dilemma: how to satisfy the EC without making concessions that would jeopardize the U.S. milk price support program.

A solution was found by dealing with the nature of the EC's trade problem. In order to avoid the imposition of countervailing duties by the United States, the EC had agreed in 1974 to eliminate export subsidies on certain cheeses and to avoid increasing them on others. The resulting impact on their sales to the United States was dramatic. As the EC and certain other European suppliers (who also were required to eliminate or curtail their subsidies) lost business, the Oceanic countries and Finland gained business.

The MTN negotiations resulted in four major changes to the quota system: (1) U.S. rights to countervail against subsidized quota imports were waived provided the import prices do not undercut U.S. prices; (2) EC access for cheese imports was restored to amounts somewhat equivalent to what the EC supplied prior to the 1974 countervailing duty agreements; (3) new quota levels were established for the Oceanic countries and Finland at levels near the amounts supplied in the late seventies, making permanent the gains from EC losses in that period; and (4) increased controls were placed on imports by eliminating the pricebreak system and by bringing under absolute quota most of the cheeses that previously entered quota-free under the pricebreak system.

The elimination of the pricebreak system brought an additional 30 to 40 percent of cheese imports under quota. As a result, some firms which had been doing no business in quota cheeses (because they had been importing "pricebreak" cheeses and miscellaneous nonquota cheeses only) are now subject to licensing requirements.

Options Considered

The changes the MTN effected in U.S. cheese import quotas presented an opportunity to reevaluate the licensing and quota allocation system. Since neither the Trade Agreements Act of 1979 nor the trade agreements themselves specified the manner in which the quotas were to be allocated, the Secretary of Agriculture had some discretion in selecting a fair method of allocation consistent with full utilization of the quotas. Some of the possible options were: (1) allocation on a strictly historical share basis, (2) use of the quota on a first-come, first-served basis, (3) auctioning of quota shares, and (4) some combination of any of these. These options are discussed below.

1. *Historical Licenses:*

One approach to the allocation of import quotas is to assign all of the quotas to those importers who were in business prior to the imposition of the quotas. Each importer would receive a share in the quotas, and those shares would provide importers with access to cheese imports roughly equivalent to what they had been importing prior to the imposition of quotas. This approach had strong support from most importers when quotas first came into existence. Such allocation of quota shares based on actual imports during a representative base period prior to the establishment of the quota is referred to as "historical" allocation. Importers who show proof of importation during the representative base period for a given cheese category establish "historical eligibility" and become "historical licensees" for that category.

In the early years of the program this method of license allocation ("historical allocation") was generally acknowledged to be the most fair and equitable approach, at least in the short run. The main advantage of using a historical method of allocation for import quotas is that it permits importers to operate with a degree of certainty concerning their ability to import cheese they have purchased abroad. Such certainty is important to efficient business operations, planning, and investment.

The negative aspects of a purely historical licensing system, however, invariably emerge in the long run. A historical system fixes quota shares into a static pattern in a real world setting that is dynamic. Some firms who were actively trading at the time quotas were established may later become less active or go out of business. Others, seeking to grow or get into the business for the first time may find their possibilities severely limited.

Changing methods of handling and shipping also tend to render the static historical system obsolete. U.S. importers, for example, who were shipping small amounts by the break-bulk method during the representative base period—servicing small specialty markets—found in a few years that containerized shipments were the only economical way to compete in the market. Consequently, many licensees found themselves unable to use certain licenses—break-bulk freight rates became too high and some of their licensed amounts were too small to fill a 40-foot reefer container.

Finally, a purely historical method of allocation is considered by some not to adapt well to changes in the geographic distribution of cheese customers and business. For example, recent demographic changes in this country, particularly the movement to the South, Southwest, and West, have given rise to criticism that the historical system continues to award the bulk of the quota to Eastern importers. However, while a historical allocation system may have the disadvantage of being geographically inflexible in theory, it need not have such a disadvantage in practice. Since licenses are awarded to particular licensees rather than to particular regions, licensees are free to adjust their operations to account for shifts in demographics. For instance, a number of the major importers maintain offices in several parts of the country and generally direct shipments to the port nearest to final consumption. As a result, the address of a licensee's headquarters office does not accurately reflect the geographic distribution of products entering through his import quota shares.

2. First-come, First-served (Nonlicense) Approach

The opposite of a historical licensing system of allocation is a nonlicensed first-come, first-served system of quota allocation. (Whoever gets his goods to the port first gets the quota to enter it; latecomers and their goods are turned away if they arrive after the quota is filled.) This approach theoretically gives everyone an equal chance to share in the quota. It also may have the advantage of minimal need for paper work and less regulatory burden than that which characterizes a licensing system.

Like all other approaches, a first-come, first-served system would undoubtedly have its negative aspects. It might tend to encourage large imports early in the marketing year and to limit the import market to those varieties and types of cheese that would (1) store well and (2) sell easily once entered, i.e., bulk cheeses of relatively low moisture content basically for further processing. Traders unable to ensure that they could get their products in may not be in a position to establish long-term or contractual relationships with customers. Continuity of supply, an absolutely essential ingredient for successful marketing, could become difficult to impossible to attain for many importers. This would be true especially with the specialty cheeses, many of which have a relatively short shelf life. To prevent this potentially chaotic market situation, supplying countries might use export boards to control exports and establish their own importing companies in the United States to whom they would direct their exports.

3. Auction Approach

Auctioning of the licenses to the highest bidder has many of the same advantages as a first-come, first-served system, particularly that of opening up the licensing system to newcomers. In addition, it would permit the U.S. Government rather than the private trade to capture the value of the licenses. Under the current system the licensees capture the additional margin resulting from an artificially restricted market.

The initial obstacle to auctioning the licenses would be a required change in legislation. Section 22 of the Agricultural Adjustment Act permits the President to impose a quota *or* a fee on imports but not both, and the Trade Agreements Act of 1979 specifically excludes section 22 from the President's authority to auction licenses under that Act. Further, auctioning may benefit the larger, financially stronger traders to the detriment of small specialty cheese importers.

4. Mixed Approach

Between a nonlicensed first-come, first-served system at one end of the spectrum and a historical licensing system at the other there are many combinations of approaches. Serious consideration was given to several variations in developing a USDA position for the new (1980) quota regime. The historical licensing approach had been tried for over 20 years and clearly had its weaknesses from an administrative point of view. The policing of such a system is very difficult and its inflexibility in a dynamic world generates constant complaints from virtually all interest parties.

A first-come, first-served system would eliminate those difficulties. It would, however, raise a whole new set of questions. The de-licensing of old historical quota shares may jeopardize the capital investments that many firms may have made based on assured access to a certain supply of cheese from abroad. The nature of such a system might also present a special advantage to

supplying countries with state trading or national export boards. They could set up their own companies in the United States and export only to themselves, basically eliminating the traditional U.S. importer in favor of an increased profit margin. Chaotic conditions might develop in the market for imported cheeses, especially in the short run. Resulting price competition could increase the difficulty of enforcing the price-undercutting prohibitions provided in Section 702 of the Trade Agreements Act of 1979.

5. *Compromise Approach*

The current approach is a compromise-combination approach, incorporating numerous public comments received in the course of its development. The old historical licensing system was left intact, along with the old "nonhistorical" licensing system¹ for the quota amounts in existence prior to 1980. But new historical quota shares are issued for only half of each increased quota amount resulting from the MTN. The other half is allocated either by "country designation" or under a modified first-come, first-served *licensing* system, with "supplementary" licenses. Provisions for "country designation" of "preferred importers" were introduced to accommodate the wishes of certain countries to maintain control over at least a portion of the business that has newly come under quota. In essence this allows exporters the same prerogative of choosing trading partners as they would have had in the absence of quotas.

As a consequence of the compromise-combination approach, the quota cheese licensing program, already complicated, has become more so since 1980. There are now four different types of licenses, old historical and nonhistorical licenses, as in the past (quotas for which appear in appendix 1 in Import Regulation I), and new historical and supplementary licenses (quotas for which appear in appendix 2 in the same regulation). Both new and old historical quota shares are treated about the same way under the regulation.

Nonhistorical licenses are administered much as they were from the beginning, but supplementary licenses are new to the system in many ways. Obtaining and using a supplementary license one year has no impact on whether the holder will get it again the following year.² If an importer is not designated for a license by the supplying country (a prerogative which the EC chose not to have), his or her ability to obtain a supplementary license for a given item in a given year is determined in part by chance and in part by the size of the quota for that item.

Preliminary Review of Impact

The implementation of the MTN bilateral cheese agreements affected cheese importers as follows: the old historical and nonhistorical licenses were maintained intact; new historical licenses assured importers access to about half of what they were importing as "pricebreak" cheese prior to 1980; and supplementary licenses provided importers a chance to get licenses for the other half each year and provided access to the licensing system for newcomers.

The impact on individual importers can vary significantly depending in large part on the skill of the various supplying countries' MTN negotiators and on the willingness (ability) of the countries with which the importers had been trading to "pay" the United States for larger quotas. If an individual had been trading with a country that won a quota for much more than had been supplied to the United States in recent years, that importer could end up with a new historical license for 100 percent of what he or she imported during the base period. If, on the other hand, the country settled for much less than it had been supplying, the importer's quota share will be less than 50 percent of what he had imported during the last period. For example, some rather significant increases were awarded the EC in the Swiss cheese category while Austria settled for a Swiss-cheese quota that amounted to only about 48 percent of what they supplied as "pricebreak" Swiss cheese during the representative base period. Persons importing from Austria in this case, therefore, suffered a cutback in business while those doing business in the EC (in many cases these were the same people) got assurance of access to all they had imported during the base period. Table 7 gives a clear picture of how pricebreak importers fared in terms of their "new historical" licenses. The total license amount received by an importer for a given item may, of course, be considerably larger than the percentages shown in that table if the importer received a "supplementary" license either through exporting country designation or licensing authority allocation.

In reviewing tables 3, 4, 8, and 9, the following may be noted: On the average, all pricebreak importers received license amounts for 87 percent of their base period pricebreak imports. Licensees holding less than 100,000 pounds of license exceeded 100 percent, while those holding license for over 1 million pounds received about 90 percent of their imports in license amounts. A

¹Nonhistorical licenses were developed early in the licensing program as a means of addressing the problem of access for new businesses. Nonhistorical licenses are issued to eligible applicants in equal (but relatively small) amounts year after year provided recipients use them regularly and adhere to all other provisions of the regulations. Because they are renewable from year to year, they are very much like historical licenses (one sharp difference being their size compared with the average size of corresponding historical licenses). Approximately 10 percent of the pre-1979 quotas were "set-aside" for nonhistorical licenses. Because of the limited size of the set-aside and the fact that firms with historical licenses in one category automatically qualified for nonhistorical eligibility in another, the performance of the nonhistorical system in providing a door for firms new to the cheese importing business has been less than satisfactory in the eyes of many observers.

²An importer loses eligibility to apply for a given supplementary license if in the previous quota year he was awarded such a license but failed to use at least 85 percent of it during that year.

significant number of these licensees also have "old" historical licenses for Swiss, Gruyere Process, "Other"³, and Lowfat cheeses that can now be also used for the former "above-pricebreak" cheeses. Those pricebreak importers who had no previous historical licenses (see table 9) represent 46 percent of all the pricebreak importers (26 percent in terms of pounds). Importers in all size groups, except those whose total Basic Annual Allocations ranged between 100,000 and 500,000 pounds, obtained more than 100 percent of their base period imports in total license amounts.

New Business Access

Since there is only about a one pound quota for cheese imports per U.S. citizen, it has always been necessary for the Department to establish license eligibility according to rather strict criteria. Otherwise, import quota shares might become too small to be economically viable.

With most imported cheeses coming under quota, some changes were necessary in the eligibility requirements for new firms. Prior to 1980, the traditional sheep and goat milk cheeses and the pricebreak cheeses, viz., higher quality Swiss-type cheeses and a wide variety of "Other-NSPF" cheeses, could be imported quota-free. Now, of the old pricebreak cheeses only soft-ripened (such as Brie and Camembert) cheeses may be imported freely. This tends to make establishing the necessary importing track record (importing 10,000 pounds or more in the previous year) more difficult than it was. To offset this, the regulation contains new provisions which allow the manufacture or processing of cheese domestically (100,000 lbs. or more in the previous year) to substitute for an import record. As shown in table 10, there were 112 new importers in 1980 (defined as not having held any license in 1979), of whom 23 qualified on the basis of being manufacturers. They hold 12.5 percent of the total quota. Eleven percent of the total quota is held by those who have no historical license whatsoever.

Summary of the Compromise Approach

In summary, of the slightly more than 107,500 metric tons (MT) of cheese quotas under license in 1980, about 70,080 MT or 65 percent were allocated on a historical basis, 7,396 MT (7 percent) on a nonhistorical basis, and the remaining 29,988 MT (28 percent) on a supplementary basis. Of the 29,988 MT of quotas issued in supplementary licenses, approximately 7,800 MT is for the EC and is allocated to eligible applicants on a modified first-come, first-served licensing basis (no designations of preferred importer are allowed). The remaining 22,188 MT or (20 percent) may be "designated" by the various supplying countries to go to "preferred" importers. In 1980 virtually all of this was designated.

Under the new system the concentration of licenses has virtually not changed, as is shown by the data on the graph illustrating table 11. Information provided in table 12 allows the reader to establish the concentration of licenses for each cheese type. These will vary according to a number of factors: for example, trade patterns at the time of the imposition of each quota, the proportion of the quota that is new (as of 1980), whether designation provisions were used, and the extent to which countries used them to concentrate or disperse the licenses for the supplementary portion of the new quotas.

³ "Other" is usually called "NSPF" (Not Specially Provided For in the Tariff Schedules) cheeses by the trade, this category includes perhaps 300 different cheeses. The most commonly known are such cheeses as Havarti, Cheshire, Neufchatel, Mozzarella, Port Salut, and Brick cheese.

Table 1.—U.S. Imports of Cheese by Country of Origin and by Cheese Type, 1974-1980, in quantity.

[In metric tons]

Country of Origin	BLUEMOLD						
	1974	1975	1976	1977	1978	1979	1980
Denmark	2,133	1,917	1,968	1,389	2,290	1,751	1,820
France	1	3	7	11	11	21	65
Germany, Federal Rep. of	4	22	1	6	5	2	30
Italy	53	48	41	38	47	45	60
Netherlands	3	13	0	0	0	1	0
United Kingdom	66	53	0	0	0	4	15
Total EC-9	2,260	2,056	2,016	1,444	2,354	1,824	1,990
Norway	12	10	7	5	7	0	0
Sweden	3	5	2	4	5	0	0
Switzerland	0	0	0	1	0	0	0
Total Europe	2,275	2,070	2,025	1,455	2,365	1,824	1,990
Argentina	0	0	2	0	0	0	0
Grand Total	2,275	2,070	2,026	1,455	2,365	1,825	1,990
	CHEDDAR						
	1974	1975	1976	1977	1978	1979	1980
Belgium-Luxembourg	494	0	0	0	0	0	0
Denmark	100	0	0	0	0	0	0
France	1,863	0	0	0	1	0	0
Germany, Federal Rep. of	475	2	0	0	0	0	0
Ireland	6,380	177	0	34	10	0	0
Netherlands	1,153	24	5	26	3	0	0
United Kingdom	3,259	9	1	16	44	41	173
Total EC-9	13,724	212	6	76	58	41	173
Norway	296	0	0	0	0	0	0
Sweden	38	1	0	0	0	0	0
Austria	115	31	19	11	76	135	113
Poland	67	0	0	0	0	0	0
Total Europe	14,240	245	24	87	134	176	286
Australia	5,624	865	686	1,033	1,303	926	1,192
New Zealand	26,582	3,117	2,428	2,794	3,102	3,260	3,017
Total Oceania	32,206	3,982	3,114	3,827	4,405	4,186	4,209
Canada	2,097	606	502	327	334	289	363
Israel	0	0	0	0	0	0	0
Total all Other	0	0	0	0	21	7	0
Grand Total	¹ 48,543	4,833	3,641	4,241	4,895	4,658	4,858

Table 1.—U.S. Imports of Cheese by Country of Origin and by Cheese Type, 1974-1980, in quantity—Continued

[In metric tons]

Country of Origin	AMERICAN						
	1974	1975	1976	1977	1978	1979	1980
Belgium-Luxembourg	31	0	0	0	0	0	0
Denmark	3	37	0	0	0	0	0
France	1	0	0	0	1	0	0
Ireland	0	0	20	0	0	0	0
Netherlands	0	0	0	0	0	0	0
United Kingdom	0	0	0	0	0	0	0
Total EC-9	36	37	20	0	1	0	0
Finland	0	0	0	0	0	0	205
Norway	0	0	0	0	0	0	0
Sweden	74	2	0	0	0	0	0
Austria	1	1	7	43	8	12	55
Switzerland	7	0	0	0	0	0	0
Total Europe	118	41	27	43	9	12	260
Canada	2	0	3	1	0	0	26
Australia	697	987	926	1,094	1,157	1,018	1,035
New Zealand	1,496	1,710	1,796	1,716	1,785	1,570	2,014
Total Oceania	2,193	2,697	2,723	2,810	2,942	2,588	3,049
Total all Other	0	0	0	0	122	2	7
Grand Total	2,314	2,737	2,753	2,855	3,073	2,603	3,342
EDAM & GOUDA							
Belgium-Luxembourg	0	2	0	0	0	3	0
Denmark	87	51	38	26	26	22	42
France	0	0	0	2	0	0	0
Germany, Federal Rep. of	77	67	56	1	0	8	6
Ireland	6	4	0	0	0	0	0
Netherlands	3,884	3,700	3,611	3,554	3,695	3,711	3,728
United Kingdom	0	0	0	0	1	15	14
Total EC-9	4,054	3,824	3,705	3,582	3,722	3,759	3,790
Finland	27	46	4	2	4	5	0
Norway	140	148	5	0	8	0	0
Sweden	22	36	27	31	30	22	31
Poland	0	0	0	0	0	0	0
Portugal	2	16	4	6	6	3	0
Switzerland	0	2	0	0	0	2	0
Total Europe	4,245	4,072	3,745	3,622	3,769	3,792	3,821
Argentina	6	104	121	127	132	91	67
Total all Other	0	0	1	0	0	0	0
Grand Total	4,251	4,176	3,866	3,749	3,901	3,883	3,888

Table 1.—U.S. Imports of Cheese by Country of Origin and by Cheese Type, 1974-1980, in quantity—Continued

[In metric tons]

Country of Origin	PROC. EDAM & GOUDA						
	1974	1975	1976	1977	1978	1979	1980
Denmark	0	0	7	2	0	19	100
France	0	0	1	0	12	10	2
Germany, Federal Rep. of	0	0	42	0	17	17	450
Ireland	0	0	1	0	0	0	0
Netherlands	0	0	53	108	236	130	272
United Kingdom	0	0	0	3	2	0	0
Total EC-9	0	0	104	114	268	176	824
Finland	0	0	15	163	724	678	24
Norway	0	0	137	26	117	2	52
Sweden	0	0	3	1	0	5	0
Austria	0	0	0	0	199	458	0
Poland	0	0	0	0	2	0	0
Portugal	0	0	0	182	203	16	16
Total Europe	0	0	259	486	1,514	1,335	915
Argentina	0	0	0	0	0	0	1
Grand Total	0	0	259	486	1,514	1,335	916
ITALIAN IOL ²							
Belgium-Luxembourg	0	0	0	0	0	0	252
Denmark	18	0	0	0	0	223	493
France	18	0	0	0	0	0	1
Italy	1,292	1,495	1,361	1,444	1,217	1,414	1,148
Netherlands	0	0	0	0	7	0	0
Total EC-9	1,328	1,495	1,361	1,444	1,224	1,637	1,893
Argentina	2,765	3,128	3,658	3,002	2,856	1,385	812
Australia	0	0	1	0	0	0	0
New Zealand	0	0	0	0	0	13	0
Total Oceania	0	0	1	0	0	13	0
Total all Other	0	0	0	0	0	2	16
Grand Total	4,093	4,623	5,020	4,447	4,080	3,037	2,721
ITALIAN NIOL ³							
Denmark	0	0	0	19	0	13	8
Germany, Federal Rep. of	0	0	0	0	0	20	0
Italy	3	1	3	4	4	95	21
Total EC-9	3	1	3	23	4	128	29
Finland	0	0	15	0	0	0	0
Portugal	0	0	6	0	0	0	0
Total Europe	3	1	24	23	4	128	29
Argentina	534	555	638	608	585	322	412
Canada	0	2	0	0	0	7	0
Australia	0	0	0	0	11	0	0
New Zealand	0	0	38	0	0	141	30
Total Oceania	0	0	38	0	11	141	30
Grand Total	537	559	700	631	601	597	470

Table 1.—U.S. Imports of Cheese by Country of Origin and by Cheese Type, 1974-1980, in quantity—Continued

[In metric tons]

Country of Origin	SWISS & EMMENTHALER ⁴						
	1974	1975	1976	1977	1978	1979	1980
Belgium-Luxembourg	0	17	6	0	51	34	0
Denmark	1,574	1,120	1,724	1,030	1,080	1,834	1,344
France	2,946	47	245	124	47	312	514
Germany, Federal Rep. of	3,793	114	665	390	622	239	2,392
Ireland	0	12	0	0	0	0	0
Italy	0	0	0	0	0	3	0
Netherlands	117	94	90	107	432	137	234
United Kingdom	3	5	0	9	0	0	0
Total EC-9	8,433	1,408	2,730	1,660	2,233	2,559	4,483
Finland	5,787	4,171	7,817	8,495	9,613	7,739	8,341
Norway	4,642	6,686	7,785	7,008	8,151	8,302	7,481
Sweden	30	61	35	42	77	11	0
Austria	6,528	5,651	5,525	6,129	8,562	7,687	6,293
Iceland	88	219	32	109	617	1,095	311
Poland	0	10	11	0	0	59	0
Switzerland	3,265	2,937	3,505	3,105	3,462	3,105	2,545
Total Europe	28,773	21,142	27,441	26,548	32,716	30,559	29,454
Argentina	0	8	165	234	8	13	2
Canada	0	6	0	0	21	36	34
Australia	0	0	15	172	192	371	481
New Zealand	0	0	0	0	0	32	0
Total Oceania	0	0	15	172	192	403	481
Total all Other	178	50	18	67	483	3,158	243
Grand Total	28,950	21,206	27,640	27,019	33,421	34,169	30,214
Country of Origin	GRUYERE PROCESS ^{4 5}						
	1974	1975	1976	1977	1978	1979	1980
Belgium-Luxembourg	19	0	3	0	0	0	0
Denmark	1,428	706	601	595	1,034	1,045	520
France	257	308	501	472	579	522	455
Germany, Federal Rep. of	1,448	571	1,093	1,196	1,243	1,583	1,620
Ireland	109	58	78	0	0	0	0
Italy	0	0	1	0	0	0	0
Netherlands	7	14	163	44	61	36	242
United Kingdom	0	0	7	0	0	1	0
Total EC-9	3,267	1,657	2,447	2,308	2,917	3,186	2,837
Finland	770	1,290	1,363	1,762	2,575	2,322	955
Norway	92	98	127	100	34	48	57
Sweden	0	4	0	0	13	0	0
Austria	916	1,236	1,740	1,354	1,553	2,039	952
Poland	0	0	32	0	0	0	0
Portugal	4	118	273	272	206	328	120
Switzerland	1,882	1,095	1,638	1,639	1,998	1,380	1,435
Total Europe	6,931	5,500	7,620	7,434	9,296	9,303	6,356
Argentina	0	0	11	6	6	34	0
Canada	0	0	0	0	0	0	0
Israel	11	12	0	15	0	0	0
Australia	1	0	0	0	0	20	0
New Zealand	0	0	27	0	4	0	17
Total Oceania	1	0	27	0	4	20	17
Total all Other	0	0	36	54	28	39	4
Grand Total	6,942	5,511	7,695	7,509	9,334	9,396	6,378

Table 1.—U.S. Imports of Cheese by Country of Origin and by Cheese Type, 1974-1980, in quantity—Continued

[In metric tons]

Country of Origin	Other NSPF ^{6 7}						
	1974	1975	1976	1977	1978	1979	1980
Belgium-Luxembourg	101	15	1	7	7	20	20
Denmark	17,555	10,261	6,526	5,340	6,265	6,673	8,570
France	4,627	3,925	2,572	2,761	3,793	4,554	1,535
Germany, Federal Rep. of	1,656	850	335	293	364	549	1,549
Ireland	142	77	59	46	54	238	282
Italy	252	218	225	211	228	196	307
Netherlands	483	432	257	96	151	596	235
United Kingdom	1,299	233	314	198	322	701	1,103
Total EC-9	26,115	16,010	10,287	8,953	11,184	13,526	13,601
Finland	480	516	714	628	564	1,206	1,288
Norway	167	175	119	104	106	64	51
Sweden	990	902	1,093	858	825	1,461	606
Austria	255	468	633	662	856	815	672
Iceland	312	297	294	554	976	1,648	365
Poland	1,139	1,156	1,076	1,094	1,272	885	890
Portugal	128	140	121	137	138	130	218
Switzerland	1,053	1,085	965	1,037	1,263	980	1,165
Total Europe	30,638	20,747	15,302	14,026	17,183	20,715	18,856
Argentina	8	127	322	25	74	11	7
Canada	2,040	732	968	1,008	1,228	1,717	524
Israel	71	79	374	587	552	893	539
Australia	80	240	426	665	989	1,806	1,181
New Zealand	3,181	4,488	8,179	11,322	12,357	12,173	10,170
Total Oceania	3,262	4,728	8,605	11,987	13,345	13,979	11,351
Total all Other	274	192	138	633	121	474	479
Grand Total	36,293	26,605	25,709	28,265	32,504	37,790	31,756
OTHER LOW FAT ⁶							
Denmark	0	0	1,763	1,765	560	354	1,467
France	0	0	3	3	5	0	0
Germany, Federal Rep. of	0	0	17	14	7	9	15
Ireland	0	0	0	16	1	0	0
Netherlands	0	0	0	1	0	0	0
United Kingdom	0	0	165	37	55	36	36
Total EC-9	0	0	1,948	1,837	629	399	1,519
Finland	0	0	0	0	0	0	21
Sweden	0	0	153	303	362	313	266
Austria	0	0	9	4	0	0	0
Iceland	0	0	0	0	0	27	0
Poland	0	0	0	0	0	301	145
Switzerland	0	0	0	3	2	0	0
Total Europe	0	0	2,109	2,147	993	1,040	1,951
Israel	0	0	0	0	0	0	50
Australia	0	0	417	846	883	1,691	245
New Zealand	0	0	0	0	0	0	1,017
Total Oceania	0	0	417	846	883	1,691	1,262
Total all Other	0	0	0	0	2	0	0
Grand Total	0	0	2,527	2,993	1,877	2,732	3,263

Table 1.—U.S. Imports of Cheese by Country of Origin and by Cheese Type, 1974-1980, in quantity—Continued

[In metric tons]

Country of Origin	MISCELLANEOUS ⁸						
	1974	1975	1976	1977	1978	1979	1980
Belgium-Luxembourg	0	0	7	10	0	0	0
Denmark	233	193	1,045	859	556	297	157
France	649	632	1,950	1,922	1,271	906	4,497
Germany, Federal Rep. of	9	17	104	69	122	5	66
Ireland	0	0	3	0	0	0	0
Italy	5,380	5,515	5,063	4,259	5,497	4,628	4,896
Netherlands	1	0	31	13	10	5	0
United Kingdom	0	0	87	112	149	144	0
Total EC-9	6,271	6,356	8,291	7,244	7,604	5,985	9,617
Finland	0	0	13	0	0	0	0
Norway	276	313	308	289	406	276	235
Sweden	8	4	74	34	27	5	0
Austria	0	1	153	61	5	1	4
Iceland	0	0	0	17	0	0	0
Poland	0	0	0	0	20	10	0
Portugal	18	8	29	31	76	14	9
Switzerland	3	0	102	61	52	65	13
Total Europe	6,577	6,682	8,970	7,737	8,191	6,357	9,877
Argentina	0	0	149	356	3	5	0
Canada	21	1	176	52	58	59	15
Israel	0	0	0	0	182	72	369
Australia	2	0	0	12	37	0	0
New Zealand	0	0	71	0	0	0	0
Total Oceania	2	0	71	12	37	0	0
Total all Other	2,368	2,410	2,802	3,205	3,843	4,125	4,664
Grand Total	8,968	9,093	12,167	11,362	12,313	10,619	14,926
TOTAL							
Belgium-Luxembourg	645	33	18	18	58	57	272
Denmark	23,132	14,284	13,722	11,044	11,873	12,256	14,677
France	10,362	4,916	5,311	5,322	5,733	6,329	10,983
Germany, Federal Rep. of	7,460	1,643	2,337	1,983	2,382	2,443	6,194
Ireland	6,638	329	161	96	66	238	282
Italy	6,979	7,277	6,693	5,956	6,993	6,381	6,436
Netherlands	5,647	4,276	4,364	3,968	4,637	4,615	4,712
United Kingdom	4,627	300	576	376	573	942	1,342
Total EC-9	65,490	33,057	33,182	28,763	32,316	33,260	44,899
Finland	7,063	6,023	9,951	11,049	13,480	11,970	10,835
Norway	5,625	7,430	8,489	7,532	8,830	8,692	7,876
Sweden	1,165	1,015	1,388	1,273	1,351	1,818	903
Austria	7,815	7,388	8,191	8,337	11,531	11,597	8,092
Iceland	400	516	326	680	1,593	2,771	676
Poland	1,206	1,166	1,152	1,094	1,295	1,256	1,035
Portugal	153	282	433	629	630	492	363
Switzerland	6,209	5,118	6,375	6,005	7,044	5,724	5,170
Total Europe	95,126	61,995	69,486	65,362	78,068	77,581	79,849
Argentina	3,312	3,922	5,073	4,362	3,671	1,894	1,301
Canada	4,161	1,348	1,648	1,389	1,642	2,109	971
Israel	82	91	374	602	734	965	966
Australia	6,404	2,091	2,472	3,821	4,571	5,852	4,134
New Zealand	31,260	9,315	12,566	15,832	17,251	17,189	16,265
Total Oceania	37,664	11,406	15,038	19,653	21,822	23,041	20,399
Total all Other	2,820	2,652	3,008	3,958	4,621	7,846	5,452
Grand Total	143,165	81,414	94,628	95,325	110,558	113,436	108,938

Table 1.—U.S. Imports of Cheese by Country of Origin and by Cheese Type, 1974-1980, in quantity—Continued

[In metric tons]

Country of Origin	TOTAL W/O MISCELLANEOUS						
	1974	1975	1976	1977	1978	1979	1980
Belgium-Luxembourg	645	33	10	7	58	57	272
Denmark	22,899	14,092	12,627	10,165	11,256	11,935	14,336
France	9,713	4,283	3,328	3,373	4,449	5,419	2,571
Germany, Federal Rep. of	7,451	1,627	2,209	1,900	2,259	2,426	6,062
Ireland	6,638	329	158	96	65	238	282
Italy	1,599	1,762	1,630	1,697	1,495	1,753	1,536
Netherlands	5,646	4,276	4,177	3,936	4,585	4,610	4,711
United Kingdom	4,627	300	487	264	425	797	1,342
Total EC-9	59,219	26,701	24,627	21,439	24,593	27,235	31,112
Finland	7,063	6,023	9,929	11,049	13,479	11,950	10,835
Norway	5,349	7,117	8,179	7,243	8,423	8,417	7,641
Sweden	1,156	1,011	1,314	1,239	1,312	1,812	903
Austria	7,815	7,387	7,932	8,202	11,254	11,145	8,064
Iceland	400	516	326	663	1,593	2,771	676
Poland	1,206	1,166	1,120	1,094	1,275	1,246	1,035
Portugal	134	273	404	598	553	478	353
Switzerland	6,206	5,118	6,108	5,785	6,726	5,468	5,096
Total Europe	88,549	55,313	59,938	57,312	69,207	70,522	65,715
Argentina	3,312	3,922	4,917	4,003	3,662	1,855	1,301
Canada	4,140	1,347	1,473	1,336	1,584	2,049	947
Israel	82	91	374	602	552	893	589
Australia	6,402	2,091	2,472	3,810	4,534	5,832	4,134
New Zealand	31,260	9,315	12,468	15,832	17,247	17,189	16,248
Total Oceania	37,662	11,406	14,940	19,641	21,782	23,021	20,381
Total all Other	452	242	193	753	778	3,682	745
Grand Total	134,197	72,321	81,835	83,647	97,565	102,024	89,678

¹ Includes imports under a temporary increase in quota which amounted to 44,801 metric tons.² "IOL" means in original loaves.³ "NIOL" means not in original loaves.⁴ Cheese subject to quota and for 1974-79 so-called pricebreak cheese.⁵ Includes TSUS nos. 117.6040, 117.6045, 117.6055, 117.7550, 117.7545, 117.8545, 117.8550 and 117.8845.⁶ NSPF is the Customs Category "Not Specially Provided for." Cheese subject to quota and for 1974-79 so-called pricebreak cheese.⁷ Includes TSUS nos. 117.7540, 117.7555, 117.7560, 117.7570, 117.8540, 117.8555, 117.8569, 117.8855. Note: Includes soft-ripened cheese for 1974-79.⁸ Includes Stilton (117.0020, 117.0520.) Gammelost & Nokkelost (117.6060), Roquefort (117.4500, 117.5000), pecorino & sheep's milk cheeses (117.6700, 117.6500, 117.7000) goat's milk cheeses (117.8575 to 1979, 117.8875 as of 1980), and 1980 soft-ripened cow's milk cheeses (117.8875).

NOTE: A metric ton is equal to 2,204.6 pounds.

SOURCE: Bureau of Census, U.S. Department of Commerce.

Table 2.—United States: Dairy Product Imports (Milk Equivalent), Milk Cow Numbers and Domestic Milk Production, 1940 - 1980

Year	Imports (M.E.)	Milk Cows on the Farm	Domestic Milk Production	Imports as a Percentage of Domestic Production
	<i>Million pounds</i>	<i>Thousand head</i>	<i>Million pounds</i>	<i>Percent</i>
1940	290	23,671	109,412	0.265
1941	243	24,288	115,088	0.211
1942	623	25,027	118,533	0.526
1943	291	25,451	117,017	0.249
1944	118	25,597	117,023	0.101
1945	156	25,033	119,828	0.130
1946	316	24,089	117,697	0.268
1947	153	23,329	116,814	0.131
1948	195	22,336	112,671	0.173
1949	272	22,024	116,103	0.234
1950	459	21,944	116,602	0.394
1951	525	21,505	114,681	0.458
1952	709	21,338	114,671	0.618
1953	525	21,691	120,221	0.437
1954	441	21,581	122,094	0.361
1955	458	21,044	122,945	0.373
1956	514	20,501	124,860	0.412
1957	661	19,774	124,628	0.530
1958	507	18,711	123,220	0.411
1959	578	17,901	121,989	0.474
1960	604	17,515	123,109	0.491
1961	760	17,243	125,707	0.604
1962	795	16,842	126,251	0.630
1963	915	16,260	125,202	0.731
1964	830	15,677	126,967	0.654
1965	923	14,953	124,180	0.743
1966	2,791	14,071	119,912	2.328
1967	2,908	13,415	118,732	2.449
1968	1,780	12,832	117,225	1.518
1969	1,600	12,307	116,108	1.378
1970	1,874	12,000	117,007	1.602
1971	1,346	11,839	118,566	1.135
1972	1,694	11,700	120,025	1.411
1973	3,860	11,413	115,491	3.342
1974	2,923	11,230	115,586	2.529
1975	1,669	11,139	115,398	1.446
1976	1,943	11,032	120,180	1.617
1977	1,968	10,945	122,654	1.605
1978	2,310	10,803	121,461	1.902
1979	2,305	10,743	123,411	1.868
1980	2,231	¹ 10,815	¹ 128,425	1.737

¹ Preliminary

Source: Economics and Statistics Service, USDA, March 1981

Table 3.—Basic Annual Allocations (BAA) and Total License Amounts, 1980 Compared with Total Base Period Imports for all Licensees¹*[In pounds]*

Licensee Groups by Size of Total BAA (Number of Licensees in Parenthesis)	Total Base Period Imports	Total BAA	BAA as a Percentage of Base Period Imports	Total License Amounts 1980	License Amount as a Percentage of Imports
A. Over 1 million (35)	130,989,757	110,585,636	84.4	158,564,098	121.1
B. 500,001 - 1 million . . (30)	25,533,850	19,506,248	76.4	24,534,527	96.1
C. 250,001 - 500,000 . . (33)	13,152,953	10,766,929	81.9	14,717,698	111.9
D. 100,001 - 250,000 . . (109)	12,635,602	6,741,874	53.4	20,085,510	159.0
E. 50,001 - 100,000 . . . (85)	5,563,265	3,202,904	57.6	9,157,572	164.6
F. 25,001 - 50,000 (76)	2,695,122	1,679,518	62.3	4,868,142	180.6
G. 1 - 25,000 (80)	2,942,373	903,377	30.7	4,467,401	151.8
All Groups (448)	193,512,922	153,386,486	79.3	236,394,948	122.2

¹ Under license amounts this table includes licensees who have no "BAA" because their licenses are all nonhistorical and/or supplementary. This was done in order to account for the entire quota (less the "buffer" for emergencies), but results in an overstatement of the percentages in the last column. Table 4 eliminates the license amounts of these licensees in order to give a better picture of the relationship of license amounts to base period imports.

Total 4.—Basic Annual Allocations (BAA) and Total License Amounts, 1980 Compared with Total Base Period Imports for all Licensees Holding Historical Licenses

[In pounds]

Licensee Groups by Size of Total BAA (Number of Licensees in Parenthesis)	Total Base Period Imports	Total BAA	BAA as a Percentage of Base Period Imports	Total License Amounts 1980	License Amount as a Percentage of Imports
A. Over 1 million (33)	130,989,757	110,585,636	84.4	139,585,984	106.6
B. 500,001 - 1 million . . (29)	25,533,850	19,506,248	76.4	23,664,886	96.7
C. 250,001 - 500,000 . . (30)	12,775,282	10,766,929	84.3	13,864,014	108.5
D. 100,001 - 250,000 . . (45)	8,815,905	6,741,874	76.5	10,589,743	120.1
E. 50,001 - 100,000 . . . (46)	4,494,438	3,202,904	71.3	6,067,744	135.0
F. 25,001 - 50,000 . . . (46)	2,468,477	1,679,518	68.0	3,658,644	148.2
G. 1 - 25,000 (71)	2,906,728	903,377	31.1	4,376,439	150.6
All Groups (300)	187,984,437	153,386,486	81.6	201,807,454	107.4

Table 5.—U.S. Cheese Quotas: Distribution by Basic Annual Allocation (BAA), by Size Category, 1979¹

Licensee Groups by Size of Total BAA	No. of Licensees	Avg. License Amount	Group as Percentage of All	Percentage of Total Quota Held by Group
<i>Pounds</i>	<i>No.</i>	<i>Pounds</i>	<i>Percent</i>	<i>Percent</i>
A. Over 1 million	25	3,051,736	7.0	62.6
B. 500,001 - 1 million	16	693,302	4.5	9.1
C. 250,001 - 500,000	33	384,802	9.3	10.4
D. 100,001 - 250,000	56	159,899	15.8	7.4
E. 50,001 - 100,000	98	83,840	27.6	6.7
F. 25,001 - 50,000	44	57,621	12.4	2.1
G. 1 - 25,000	83	25,123	23.4	1.7
All Groups	355	343,312	100.0	100.0

¹ Size categories based on historical BAA size; average license amount for licenses under groups F and G are above the upper limit of the BAA for that grouping because numerous licensees in these groups have additional nonhistorical quota shares. Licensees holding only nonhistorical shares are included in each category according to the size of their total license amount.

Table 6.—U.S. Cheese Quotas: Distribution by Basic Annual Allocation (BAA), by Size Category, 1980¹

Licensee Groups by Size of Total BAA	No. of Licensees	Avg. License Amount	Group as Percentage of All	Percentage of Total Quota Held by Group
<i>Pounds</i>	<i>No.</i>	<i>Pounds</i>	<i>Percent</i>	<i>Percent</i>
A. Over 1 million	35	4,530,403	7.8	67.0
B. 500,001 - 1 million	30	817,818	6.7	10.4
C. 250,001 - 500,000	33	445,991	7.4	6.2
D. 100,001 - 250,000	109	184,271	24.2	8.5
E. 50,001 - 100,000	85	107,736	19.0	3.9
F. 25,001 - 50,000	76	64,054	17.0	2.1
G. 1 - 25,000	80	55,843	17.9	1.9
All Groups	448	527,667	100.0	100.0

¹ Size categories based on historical BAA size; average license amount for licensees under groups E, F, and G are above the upper limit of the BAA for that grouping because numerous licensees in these groups have additional nonhistorical and supplementary quota shares. Licensees holding only nonhistorical and supplementary licenses are included in each category according to the size of their total license amount.

Table 7.—1978-1979 Base Period Imports versus New Historical Basic Annual Allocation's by Cheese Type and Country of Origin for Pricebreak Cheese¹

TSUS Numbers (1980)	Appendix Number and Cheese Type	Country	1978-79 Base Period Pricebreak Imports ²	Total New Historical BAA's	Percentage of BAA of 1978-79 Imports
117.6035	950.10B "Swiss-Type"	EC	4,029,440	4,029,440	100
		Argentina	20,096	20,096	100
		Austria	11,683,341	2,811,967	24.07
		Australia	462,302	462,302	100
		Finland	12,107,954	5,983,284	49.42
		Iceland	394,844	330,690	83.75
		Norway	16,620,582	6,751,587	40.62
		Switzerland	6,822,572	3,592,320	52.65
117.6045 117.7545 117.8845	950.10C "Gruyere-process"	EC	3,473,901	1,126,550	32.68
		Austria	914,119	310,848	34.01
		Finland	44,140	44,140	100
		Switzerland	3,018,802	922,625	³ 15.96
117.7555 117.8855	950.10D "NSPF" ⁴	Argentina	16,956	16,956	100
		Sweden	894,423	314,155	35.12
		Austria	728,838	617,288	84.69
		Switzerland	2,440,098	1,677,700	³ 68.76
		Portugal	411,515	389,111	94.56
		Israel	30,196	30,196	100
		Australia	1,013,987	1,157,415	100
		EC	19,054,336	10,338,471	54.31
117.7565 117.8865	950.10E "Low-Fat"	Sweden	615,623	275,575	44.76

¹ Defined as cheese actually entering over the pricebreak in the 1978-79 base period. Pricebreak type cheese for which imports over the pricebreak were less than 2% of the new quota are not included in this table (e.g. NSPF from New Zealand and Finland; Swiss from Canada).

² Derived from Consumption Entry documents and invoices submitted by importers for imports between July 1, 1978 and June 30, 1979.

³ Note: These have been changed as a result of Presidential Proclamation 4811 of December 30, 1980, which shifted 881,840 pounds from 950.10D to 950.10C. The percentages for 1981 are: for 950.10C, 30.56% and for 950.10D, 50.68%.

⁴ NSPF is the customs category "not specifically provided for."

Table 8.—Total Basic Annual Allocation (BAA) and Total License Amount Compared with 1978-1979 Quota Base for Pricebreak Cheese for all Imports¹

[In pounds]

Licensee Groups by Size of Total BAA (Numbers of Licensees in Parenthesis)	78-79 Quota Base ²	Total BAA	BAA as a Percentage of Quota Base	Total License Amounts, New Historical and Supplementary	License Amount as a Percentage of Quota Base	License Amount as a Percentage of BAA
A. Over 1 million . . . (25)	57,247,651	26,505,809	46.3	51,387,318	89.8	193.9
B. 500,001 - 1 million (21)	13,213,199	6,438,109	48.7	8,890,243	67.3	138.1
C. 250,001 - 500,000 (13)	5,757,114	2,965,691	51.5	4,133,618	71.8	139.4
D. 100,001 - 250,000 (30)	4,471,152	2,272,147	50.8	4,118,907	92.1	181.3
E. 50,001 - 100,000 . (18)	1,657,609	980,947	59.2	1,878,945	113.4	191.5
F. 25,001 - 50,000 . . (16)	882,165	436,276	49.5	1,141,375	129.4	261.6
G. 1 - 25,000 (30)	682,626	329,999	48.3	1,490,012	218.3	451.52
All Groups (153)	83,911,516	39,928,978	47.6	73,040,422	87.0	182.9

¹ Pricebreak cheese is defined as cheese actually entering over the pricebreak in the 1978-79 base period. Pricebreak type cheese for which imports over the pricebreak were less than 2% of the new quota are not included in this table (e.g. NSPF from New Zealand and Finland; Swiss from Canada).

² Actual imports determined from Consumption Entry documents and invoices submitted by importers for imports between July 1, 1978, and June 30, 1979.

Table 9.—Total Basic Annual Allocation (BAA) and Total License Amount Compared with 1978-1979 Quota Base for Pricebreak Cheese for Importers Holding no "Old" Historical Licenses

[In pounds]

Licensee Groups by Size of Total BAA (Number of Licensees in Parenthesis)	78-79 Quota Base ²	Total BAA	BAA as a Percentage of Quota Base	Total License Amounts, New Historical and Supplementary	License Amount as a Percentage of Quota Base	License Amount as a Percentage of BAA
A. Over 1 million . . . (*)	4,079,037	2,219,822	54.4	9,127,179	223.8	411.2
B. 500,001 - 1 million (*)	2,787,258	1,278,969	45.9	1,488,618	53.4	116.4
C. 250,001 - 500,000 (5)	3,174,486	1,614,152	50.8	2,317,680	73.0	143.6
D. 100,001 - 250,000 (10)	2,887,266	1,484,788	51.4	2,302,809	79.8	155.1
E. 50,001 - 100,000 . (13)	1,384,543	822,437	59.4	1,419,429	102.5	172.6
F. 25,001 - 50,000 . . (12)	795,349	390,905	49.1	898,820	113.0	229.9
G. 1 - 25,000 (26)	567,737	287,351	50.6	1,277,868	225.1	444.7
All Groups (70)	15,675,676	8,098,424	51.7	18,832,403	120.1	232.5

¹ Pricebreak cheese is defined as cheese actually entering over the pricebreak in the 1978-79 base period. Pricebreak type cheese for which imports over the pricebreak were less than 2% of the new quota are not included in this table (e.g. NSPF from New Zealand and Finland; Swiss from Canada).

² Actual imports determined from Consumption Entry documents and invoices submitted by importers for imports between July 1, 1978, and June 30, 1979.

* Not shown because it might reveal the size of certain licensees' total license amounts.

Table 10.—New Licensees, 1980
(Those Obtaining Licenses for the First Time)

Item	Number of Licensees	Total License Amount	Percent of Quota
New Licensees (Total).	112	29,478,437	12.5
Licensees Holding Supplementary & Nonhistorical only	75	26,077,189	11.0
Licensees applying as Importers	89	28,228,725	11.9
Licensees applying as Manufacturers	23	1,249,712	0.5

Geographic Location

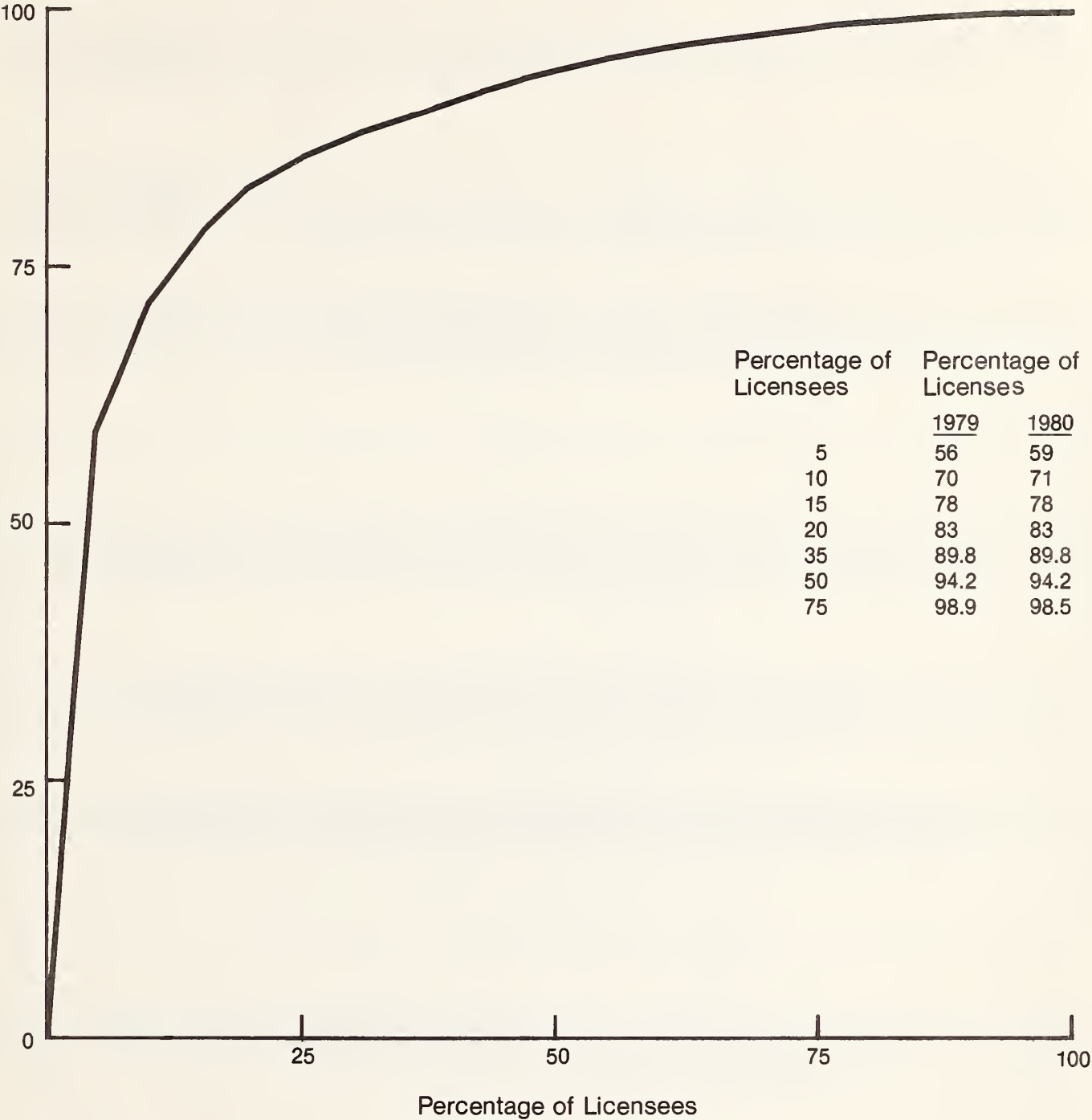
Eastern States & Puerto Rico:	50
South & Southwest:	8
Middle West:	36
West:	15

Table 11—Total License Amounts for each Licensee in Descending Order for 1980

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13
24,803,561	1,106,691	563,866	298,470	202,315	169,229	137,974	111,421	87,845	70,624	48,396	38,396	12,600
17,763,380	1,021,804	553,705	297,219	201,651	168,247	137,919	111,396	87,692	70,586	47,000	38,396	11,898
12,811,841	1,019,604	531,126	279,273	200,229	166,456	137,895	111,362	87,615	68,870	46,440	38,194	10,283
8,063,133	1,010,185	531,053	271,282	198,366	166,436	136,618	111,020	87,396	68,679	45,185	37,325	10,175
7,567,506	987,309	506,457	269,308	196,056	164,454	136,116	110,784	87,180	67,260	44,352	37,020	10,175
7,534,613	974,404	500,156	267,961	194,555	161,470	135,486	110,396	87,040	66,504	43,396	36,151	10,175
7,213,888	940,577	478,554	264,237	192,561	161,436	134,396	109,547	86,590	65,590	43,396	36,000	10,175
6,330,495	936,889	471,227	254,613	190,650	159,131	133,026	108,962	86,396	65,171	43,396	35,811	10,175
5,545,183	924,035	467,628	250,028	190,129	157,100	131,997	107,887	85,655	64,975	43,125	35,325	10,175
5,254,976	916,028	467,016	247,435	188,246	157,000	131,546	106,495	84,396	63,649	42,830	34,786	10,000
4,080,627	911,595	464,838	247,414	187,546	156,576	131,436	106,336	83,480	63,042	42,381	34,664	9,910
4,073,248	875,917	450,361	246,748	186,185	155,921	131,446	105,586	82,180	62,930	42,013	32,055	9,904
3,887,313	869,641	448,456	245,857	182,661	155,921	131,446	105,494	82,127	61,940	41,317	31,535	9,713
3,797,244	859,909	446,774	244,222	182,539	155,439	130,651	105,053	81,940	61,601	40,280	28,369	8,124
3,087,462	830,466	438,157	244,041	181,626	155,158	130,486	104,646	79,622	60,000	40,280	27,814	7,000
2,781,454	809,735	423,971	243,222	179,771	154,857	130,436	103,719	79,396	60,000	40,280	27,720	6,432
2,700,344	806,214	420,684	240,276	179,556	154,503	130,076	103,680	79,396	58,321	40,020	26,925	5,781
2,575,321	768,875	404,651	237,848	179,473	154,119	130,000	102,765	79,396	58,271	40,001	25,227	5,339
2,495,277	765,645	397,107	232,385	179,471	153,763	128,895	102,375	79,031	58,271	39,482	25,059	5,339
2,407,308	744,898	387,145	231,862	177,953	153,309	124,867	102,165	78,521	58,270	39,477	24,131	5,057
2,126,106	736,206	383,155	227,928	176,797	152,696	124,726	101,243	77,947	57,921	38,396	21,440	5,000
2,104,231	708,305	368,674	227,561	176,626	150,271	123,896	100,446	77,240	57,645	38,396	21,116	5,000
1,885,049	707,985	367,961	222,593	175,396	146,463	121,446	100,328	76,272	57,421	38,396	20,608	4,869
1,836,893	694,289	366,217	220,216	174,536	145,626	119,646	99,246	75,271	55,683	38,396	20,420	3,897
1,761,623	690,053	359,148	219,262	174,227	145,271	117,250	98,820	75,220	55,606	38,396	20,020	2,829
1,711,753	675,549	358,096	217,361	173,076	144,576	116,090	97,525	74,396	54,862	38,396	20,000	2,312
1,686,572	668,674	357,960	215,835	172,746	144,271	115,396	94,396	74,396	54,789	38,396	19,547	2,052
1,634,699	665,316	341,809	214,913	172,461	143,325	114,779	94,271	74,396	54,711	38,396	19,075	1,740
1,574,469	612,147	335,695	214,520	172,456	143,325	114,634	94,271	74,396	52,175	38,396	18,899	
1,377,303	609,567	332,707	212,596	171,773	142,738	114,211	93,541	74,396	50,610	38,396	17,434	
1,342,407	605,413	327,246	211,084	171,626	141,561	113,927	93,396	74,396	49,550	38,396	17,033	
1,283,348	591,847	323,794	208,683	171,511	140,933	113,700	92,550	74,396	48,839	38,396	17,000	
1,214,734	591,832	321,109	206,717	169,871	140,626	113,550	92,390	73,955	48,396	38,396	16,468	
1,162,201	583,994	317,973	205,331	169,501	139,396	113,316	92,170	73,789	48,396	38,396	15,000	
1,144,046	583,034	306,923	203,764	169,246	138,113	112,482	89,396	70,685	48,396	38,396	13,566	
Total cheese											236,394,948	

Concentration of Licenses, 1980

Percentage of
Licenses



Percentage of Licensees	Percentage of Licenses	
	1979	1980
5	56	59
10	70	71
15	78	78
20	83	83
35	89.8	89.8
50	94.2	94.2
75	98.9	98.5

Table 12.-License Amounts by TSUSA Appendix by Country of Origin

Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.07	ARGENT	3,310	1	950.07	EEC	9,491	2	950.07	EEC	4,910	1
Ctry Total		3,310	1	950.07	EEC	8,969	2	950.07	EEC	4,910	1
950.07	EEC			950.07	EEC	8,157	2	950.07	EEC	4,910	1
950.07	EEC	852,395	2	950.07	EEC	8,124	2	950.07	EEC	4,910	1
950.07	EEC	717,796	2	950.07	EEC	7,300	2	950.07	EEC	4,910	1
950.07	EEC	523,088	3	950.07	EEC	6,974	2	950.07	EEC	4,910	1
950.07	EEC	438,900	2	950.07	EEC	6,432	2	950.07	EEC	4,910	1
950.07	EEC	331,724	2	950.07	EEC	5,781	2	950.07	EEC	4,910	1
950.07	EEC	203,199	2	950.07	EEC	5,781	2	950.07	EEC	4,910	1
950.07	EEC	144,772	6	950.07	EEC	5,781	2	950.07	EEC	4,910	1
950.07	EEC	139,154	4	950.07	EEC	5,781	2	950.07	EEC	4,910	1
950.07	EEC	127,764	2	950.07	EEC	5,781	2	950.07	EEC	4,910	1
950.07	EEC	102,684	3	950.07	EEC	5,781	2	950.07	EEC	4,910	1
950.07	EEC	99,137	2	950.07	EEC	5,705	2	950.07	EEC	4,910	1
950.07	EEC	97,607	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	83,098	4	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	71,865	3	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	66,659	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	65,910	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	65,672	4	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	64,055	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	62,342	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	60,106	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	57,699	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	56,741	3	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	53,446	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	48,283	2	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	42,294	3	950.07	EEC	5,000	1	950.07	EEC	4,910	1
950.07	EEC	34,039	2	950.07	EEC	5,000	1	950.07	EEC	4,609	2
950.07	EEC	33,009	2	950.07	EEC	5,000	1	950.07	EEC	3,786	2
950.07	EEC	31,957	2	950.07	EEC	5,000	1	950.07	EEC	3,329	2
950.07	EEC	31,858	3	950.07	EEC	5,000	1	950.07	EEC	2,940	2
950.07	EEC	30,535	2	950.07	EEC	5,000	1	950.07	EEC	2,829	2
950.07	EEC	27,150	2	950.07	EEC	5,000	1	950.07	EEC	1,821	2
950.07	EEC	23,137	2	950.07	EEC	5,000	1	950.07	EEC	1,257	2
950.07	EEC	22,551	4	950.07	EEC	5,000	1				
950.07	EEC	21,608	2	950.07	EEC	5,000	1	Ctry Total		5,450,632	225
950.07	EEC	19,091	2	950.07	EEC	5,000	1	App Total		5,458,942	226
950.07	EEC	18,721	3	950.07	EEC	5,000	1				
950.07	EEC	14,036	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	1,891,223	3
950.07	EEC	13,591	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	123,016	1
950.07	EEC	11,725	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	110,230	1
950.07	EEC	11,628	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	79,600	1
950.07	EEC	10,836	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	46,886	2
950.07	EEC	9,910	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	37,478	1
950.07	EEC	9,910	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	37,478	1
950.07	EEC	9,910	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	10,300	1
950.07	EEC	9,910	2	950.07	EEC	5,000	1	950.08A	AUSTRAL	10,300	1
950.07	EEC	9,910	2	950.07	EEC	4,910	1	950.08A	AUSTRAL	10,300	1
950.07	EEC	9,910	2	950.07	EEC	4,910	1	950.08A	AUSTRAL	10,300	1
950.07	EEC			950.07	EEC			950.08A	AUSTRAL		

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

[illegible]

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

[illegible]

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.08B	N ZEAL	10,100	1	950.09A	EEC	141,160	1	950.09A	EEC	10,175	1
950.08B	N ZEAL	10,100	1	950.09A	EEC	138,790	1	950.09A	EEC	10,175	1
950.08B	N ZEAL	10,000	1	950.09A	EEC	132,668	1	950.09A	EEC	10,175	1
Ctry Total		4,407,567	92	950.09A	EEC	110,299	1	950.09A	EEC	10,175	1
				950.09A	EEC	106,941	1	950.09A	EEC	10,175	1
950.08B	OTH-CTY	206,550	2	950.09A	EEC	106,336	1	950.09A	EEC	10,175	1
950.08B	OTH-CTY	50,220	1	950.09A	EEC	84,925	1	950.09A	EEC	10,175	1
950.08B	OTH-CTY	14,160	1	950.09A	EEC	83,846	2	950.09A	EEC	10,175	1
950.08B	OTH-CTY	7,740	1	950.09A	EEC	78,844	1	950.09A	EEC	10,175	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	77,947	1	950.09A	EEC	10,175	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	75,304	1	950.09A	EEC	10,175	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	70,685	1	950.09A	EEC	10,175	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	63,768	3	950.09A	EEC	9,662	2
950.08B	OTH-CTY	6,630	1	950.09A	EEC	62,930	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	59,945	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	58,321	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	57,645	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	57,202	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	55,235	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	54,862	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	53,541	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	51,363	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	48,882	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	41,167	1	950.09A	EEC	7,000	1
950.08B	OTH-CTY	6,630	1	950.09A	EEC	39,482	1	950.09A	EEC	7,000	1
Ctry Total		371,490	19	950.09A	EEC	39,422	1	950.09A	EEC	7,000	1
App Total		7,540,969	171	950.09A	EEC	39,018	2	950.09A	EEC	7,000	1
				950.09A	EEC	35,912	1	950.09A	EEC	7,000	1
950.09A	ARGENT	62,760	1	950.09A	EEC	35,811	1	950.09A	EEC	7,000	1
950.09A	ARGENT	53,740	1	950.09A	EEC	33,915	1	950.09A	EEC	7,000	1
950.09A	ARGENT	53,500	2	950.09A	EEC	32,776	1	950.09A	EEC	7,000	1
950.09A	ARGENT	37,040	1	950.09A	EEC	31,535	1	950.09A	EEC	7,000	1
950.09A	ARGENT	29,950	1	950.09A	EEC	28,369	1	950.09A	EEC	7,000	1
950.09A	ARGENT	25,370	1	950.09A	EEC	28,036	1	950.09A	EEC	7,000	1
950.09A	ARGENT	10,000	1	950.09A	EEC	27,814	1	950.09A	EEC	7,000	1
Ctry Total		272,360	8	950.09A	EEC	27,720	1	950.09A	EEC	7,000	1
950.09A	EEC	845,639	1	950.09A	EEC	26,503	1	950.09A	EEC	7,000	1
950.09A	EEC	645,088	1	950.09A	EEC	25,797	1	950.09A	EEC	7,000	1
950.09A	EEC	605,413	1	950.09A	EEC	25,081	1	950.09A	EEC	7,000	1
950.09A	EEC	586,413	1	950.09A	EEC	23,205	1	950.09A	EEC	7,000	1
950.09A	EEC	500,156	1	950.09A	EEC	18,899	1	950.09A	EEC	7,000	1
950.09A	EEC	464,838	1	950.09A	EEC	17,033	1	950.09A	EEC	7,000	1
950.09A	EEC	421,170	1	950.09A	EEC	16,468	1	950.09A	EEC	7,000	1
950.09A	EEC	264,237	1	950.09A	EEC	13,766	1	950.09A	EEC	7,000	1
950.09A	EEC	227,928	1	950.09A	EEC	13,594	1	950.09A	EEC	7,000	1
950.09A	EEC	223,564	1	950.09A	EEC	13,211	1	950.09A	EEC	7,000	1
950.09A	EEC	186,885	1	950.09A	EEC	13,150	1	950.09A	EEC	7,000	1
950.09A	EEC	155,208	1	950.09A	EEC	11,204	1	950.09A	EEC	7,000	1
950.09A	EEC	154,119	1	950.09A	EEC	10,175	1	950.09A	EEC	7,000	1
				950.09A	EEC	10,175	1	950.09A	EEC	7,000	1

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

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Table 12.- License Amounts by TSUSA Appendix by Country of Origin-Continued

Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.09B	EEC	5,050	1	950.09B	NORWAY	6,000	1	950.10	ARGENT	36,151	2
950.09B	EEC	5,050	1	950.09B	NORWAY	6,000	1	950.10	ARGENT	35,759	2
950.09B	EEC	5,050	1	950.09B	NORWAY	6,000	1	950.10	ARGENT	34,664	2
950.09B	EEC	5,050	1	950.09B	NORWAY	6,000	1	950.10	ARGENT	34,233	2
950.09B	EEC	5,050	1	950.09B	NORWAY	5,470	1	950.10	ARGENT	34,121	2
950.09B	EEC	5,050	1	950.09B	NORWAY	5,470	1	950.10	ARGENT	32,965	2
950.09B	EEC	5,050	1	950.09B	NORWAY	5,000	1	950.10	ARGENT	32,075	2
950.09B	EEC	5,050	1					950.10	ARGENT	30,244	2
950.09B	EEC	5,050	1	Ctry Total		366,150	13	950.10	ARGENT	27,621	2
950.09B	EEC	5,050	1					950.10	ARGENT	25,710	2
950.09B	EEC	5,050	1	950.09B	OTH-CTY	34,340	1	950.10	ARGENT	22,664	2
950.09B	EEC	5,050	1	950.09B	OTH-CTY	10,500	1	950.10	ARGENT	20,608	2
950.09B	EEC	5,050	1	950.09B	OTH-CTY	5,000	1	950.10	ARGENT	19,033	2
950.09B	EEC	5,050	1	950.09B	OTH-CTY	5,000	1	950.10	ARGENT	17,267	2
950.09B	EEC	5,050	1					950.10	ARGENT	13,154	2
950.09B	EEC	5,050	1	Ctry Total		54,840	4	950.10	ARGENT	9,904	2
950.09B	EEC	5,050	1					950.10	ARGENT	8,967	2
950.09B	EEC	5,050	1	App Total		3,142,028	124	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1					950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	826,725	1	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	744,708	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	694,031	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	514,503	4	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	439,735	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	430,131	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	357,193	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	335,310	4	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	300,211	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	276,611	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	227,327	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	205,972	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	203,810	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	199,973	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	185,260	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	179,303	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	154,527	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	139,613	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	132,423	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,050	1	950.10	ARGENT	127,927	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,000	1	950.10	ARGENT	97,673	4	950.10	ARGENT	5,000	1
950.09B	EEC	5,000	1	950.10	ARGENT	97,609	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,000	1	950.10	ARGENT	90,589	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,000	1	950.10	ARGENT	87,615	2	950.10	ARGENT	5,000	1
950.09B	EEC	5,000	1	950.10	ARGENT	84,900	2	950.10	ARGENT	5,000	1
				950.10	ARGENT	73,843	2	950.10	ARGENT	5,000	1
Ctry Total		2,721,038	107	950.10	ARGENT	63,042	2	950.10	ARGENT	5,000	1
950.09B	NORWAY	211,250	1	950.10	ARGENT	54,006	2	950.10	ARGENT	5,000	1
950.09B	NORWAY	71,370	1	950.10	ARGENT	49,687	2	950.10	ARGENT	5,000	1
950.09B	NORWAY	15,670	1	950.10	ARGENT	43,764	2	950.10	ARGENT	5,000	1
950.09B	NORWAY	14,730	1	950.10	ARGENT	41,330	2	950.10	ARGENT	5,000	1
950.09B	NORWAY	7,190	1	950.10	ARGENT	38,608	2	950.10	ARGENT	5,000	1
950.09B	NORWAY	6,000	1	950.10	ARGENT	37,572	2	950.10	ARGENT	5,000	1

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.10	ARGENT	5,000	1	950.10	ARGENT	5,000	1	950.10	EEC	12,808	1
950.10	ARGENT	5,000	1	950.10	ARGENT	5,000	1	950.10	EEC	11,898	1
950.10	ARGENT	5,000	1	950.10	ARGENT	5,000	1	950.10	EEC	10,283	1
950.10	ARGENT	5,000	1	950.10	ARGENT	5,000	1	950.10	EEC	9,797	1
950.10	ARGENT	5,000	1	950.10	ARGENT	4,015	2	950.10	EEC	8,540	1
950.10	ARGENT	5,000	1	950.10	ARGENT	889	2	950.10	EEC	8,296	1
950.10	ARGENT	5,000	1	950.10	ARGENT	758	2	950.10	EEC	6,743	1
950.10	ARGENT	5,000	1	Ctry Total		8,431,333	202	950.10	EEC	6,712	1
950.10	ARGENT	5,000	1					950.10	EEC	5,339	1
950.10	ARGENT	5,000	1	Ctry Total				950.10	EEC	5,339	1
950.10	ARGENT	5,000	1					950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	319,139	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	286,163	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	276,623	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	254,633	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	167,876	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	162,444	2	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	160,837	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	151,701	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	151,629	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	126,961	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	118,660	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	100,951	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	89,606	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	81,238	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	75,726	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	73,641	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	72,023	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	71,345	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	66,035	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	64,780	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	59,993	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	52,738	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	51,488	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	47,272	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	46,639	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	45,446	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	45,227	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	43,355	1	950.10	EEC	5,000	1
950.10	ARGENT	5,000	1	950.10	EEC	43,355	1	950.10	EEC	1,565	1
950.10	ARGENT	5,000	1	950.10	EEC	43,000	1	Ctry Total		3,852,941	82
950.10	ARGENT	5,000	1	950.10	EEC	37,106	1	App Total		12,284,274	284
950.10	ARGENT	5,000	1	950.10	EEC	29,345	1	950.10A	ARGENT	912,375	2
950.10	ARGENT	5,000	1	950.10	EEC	27,504	1			177,302	2
950.10	ARGENT	5,000	1	950.10	EEC	27,400	1	950.10A	ARGENT	46,618	2
950.10	ARGENT	5,000	1	950.10	EEC	26,722	1	950.10A	ARGENT	44,899	4
950.10	ARGENT	5,000	1	950.10	EEC	22,949	1	950.10A	ARGENT	35,273	1
950.10	ARGENT	5,000	1	950.10	EEC	22,651	2	950.10A	ARGENT	23,185	2
950.10	ARGENT	5,000	1	950.10	EEC	20,436	1	950.10A	ARGENT	8,634	2
950.10	ARGENT	5,000	1	950.10	EEC	20,023	1	950.10A	ARGENT	5,150	1
950.10	ARGENT	5,000	1	950.10	EEC	16,839	1	950.10A	ARGENT	5,150	1
950.10	ARGENT	5,000	1	950.10	EEC	14,606	1	950.10A	ARGENT	5,150	1
950.10	ARGENT	5,000	1	950.10	EEC	14,177	1	950.10A	ARGENT	5,150	1

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

Appendix				Appendix				Appendix			
Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.10A	ARGENT	5,150	1	950.10B	AUSTRAL	1,102,300	2	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	Ctry Total		1,102,300	2	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1					950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	4,977,141	3	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	3,093,090	3	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	1,644,665	3	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	1,000,572	3	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	391,211	3	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	301,194	3	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	289,830	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	221,210	3	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	193,680	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	141,667	2	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	134,934	3	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	134,802	2	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	116,752	2	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	68,289	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	46,290	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	40,830	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,150	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	ARGENT	5,000	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
Ctry Total		1,382,036	41	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	EEC	49,100	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	EEC	19,660	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	EEC	5,800	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	EEC	5,800	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	EEC	5,800	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	EEC	5,800	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	EEC	5,800	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
950.10A	EEC	5,000	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	14,875	1
Ctry Total		102,760	8	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	13,925	1
950.10A	OTH-CTY	5,600	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	12,936	1
950.10A	OTH-CTY	5,600	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	10,000	1
950.10A	OTH-CTY	5,600	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	10,000	1
950.10A	OTH-CTY	5,600	1	950.10B	AUSTRIA	14,875	1	950.10B	AUSTRIA	4,172	1
Ctry Total		28,000	5	950.10B	AUSTRIA	14,875	1	Ctry Total		13,843,815	107
950.10A	OTH-CTY	5,600	1	950.10B	AUSTRIA	14,875	1	950.10B	CANADA	5,000	1
950.10A	OTH-CTY	5,600	1	950.10B	AUSTRIA	14,875	1	950.10B	CANADA	5,000	1
950.10A	OTH-CTY	5,600	1	950.10B	AUSTRIA	14,875	1	950.10B	CANADA	5,000	1
950.10A	OTH-CTY	5,600	1	950.10B	AUSTRIA	14,875	1	950.10B	CANADA	5,000	1
Ctry Total		154,322	1	950.10B	AUSTRIA	14,875	1	950.10B	CANADA	5,000	1
950.10B	ARGENT	20,096	1	950.10B	AUSTRIA	14,875	1	950.10B	CANADA	5,000	1
Ctry Total		174,418	2	950.10B	AUSTRIA	14,875	1	950.10B	CANADA	5,000	1

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.10B	CANADA	5,000	1	950.10B	EEC	58,986	2	950.10B	EEC	46,000	2
950.10B	CANADA	5,000	1	950.10B	EEC	58,113	3	950.10B	EEC	43,307	1
950.10B	CANADA	5,000	1	950.10B	EEC	58,101	3	950.10B	EEC	42,637	2
950.10B	CANADA	5,000	1	950.10B	EEC	56,559	3	950.10B	EEC	42,270	2
950.10B	CANADA	5,000	1	950.10B	EEC	56,260	2	950.10B	EEC	40,882	2
950.10B	CANADA	5,000	1	950.10B	EEC	56,260	2	950.10B	EEC	39,776	2
950.10B	CANADA	5,000	1	950.10B	EEC	56,260	2	950.10B	EEC	39,534	2
950.10B	CANADA	5,000	1	950.10B	EEC	56,260	2	950.10B	EEC	38,530	1
950.10B	CANADA	5,000	1	950.10B	EEC	56,260	2	950.10B	EEC	37,961	2
950.10B	CANADA	5,000	1	950.10B	EEC	56,260	2	950.10B	EEC	37,916	2
950.10B	CANADA	5,000	1	950.10B	EEC	56,260	2	950.10B	EEC	36,733	2
950.10B	CANADA	5,000	1	950.10B	EEC	56,000	3	950.10B	EEC	36,576	2
950.10B	CANADA	5,000	1	950.10B	EEC	55,808	1	950.10B	EEC	36,452	2
950.10B	CANADA	5,000	1	950.10B	EEC	54,607	1	950.10B	EEC	36,172	2
950.10B	CANADA	5,000	1	950.10B	EEC	54,370	2	950.10B	EEC	36,027	2
950.10B	CANADA	5,000	1	950.10B	EEC	53,113	3	950.10B	EEC	36,000	1
950.10B	CANADA	5,000	1	950.10B	EEC	51,105	2	950.10B	EEC	36,000	1
950.10B	CANADA	5,000	1	950.10B	EEC	50,198	3	950.10B	EEC	36,000	1
950.10B	CANADA	5,000	1	950.10B	EEC	48,700	1	950.10B	EEC	36,000	1
950.10B	CANADA	5,000	1	950.10B	EEC	48,663	3	950.10B	EEC	36,000	1
950.10B	CANADA	5,000	1	950.10B	EEC	48,528	3	950.10B	EEC	36,000	1
Ctry Total		150,000	30	950.10B	EEC	46,541	2	950.10B	EEC	36,000	1
950.10B	EEC	1,097,125	4	950.10B	EEC	46,496	3	950.10B	EEC	36,000	1
950.10B	EEC	939,551	3	950.10B	EEC	46,201	2	950.10B	EEC	36,000	1
950.10B	EEC	423,252	2	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	381,334	2	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	335,004	5	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	299,478	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	299,097	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	267,470	1	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	259,542	4	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	196,408	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	186,671	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	170,680	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	163,970	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	153,919	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	151,323	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	142,630	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	142,503	2	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	130,256	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	114,490	1	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	97,710	2	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	97,572	1	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	91,710	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	87,407	2	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	82,480	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	81,450	2	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	75,498	2	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	72,969	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	69,158	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1
950.10B	EEC	61,931	3	950.10B	EEC	46,000	2	950.10B	EEC	36,000	1

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

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Table 12.-License Amounts by TSUSA Appendix by Country of Origin--Continued

Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.10B	NORWAY	97,134	1	950.10B	SWITZLD	37,378	2	950.10C	AUSTRIA	10,000	1
950.10B	NORWAY	96,416	1	950.10B	SWITZLD	30,478	2	950.10C	AUSTRIA	10,000	1
950.10B	NORWAY	89,461	2	950.10B	SWITZLD	27,954	2	950.10C	AUSTRIA	10,000	1
950.10B	NORWAY	72,950	1	950.10B	SWITZLD	25,557	2	950.10C	AUSTRIA	8,529	1
950.10B	NORWAY	60,360	1	950.10B	SWITZLD	24,572	2	950.10C	AUSTRIA	5,172	1
950.10B	NORWAY	56,865	1	950.10B	SWITZLD	23,250	2	950.10C	AUSTRIA	1,151	1
950.10B	NORWAY	51,421	2	950.10B	SWITZLD	20,886	2				
950.10B	NORWAY	49,080	1	950.10B	SWITZLD	19,339	2	Ctry Total		2,027,058	34
950.10B	NORWAY	34,000	1	950.10B	SWITZLD	19,326	2				
950.10B	NORWAY	34,000	1	950.10B	SWITZLD	18,626	2	950.10C	EEC	1,528,509	3
950.10B	NORWAY	27,218	1	950.10B	SWITZLD	17,980	1	950.10C	EEC	980,989	4
950.10B	NORWAY	27,036	2	950.10B	SWITZLD	15,553	2	950.10C	EEC	790,530	1
950.10B	NORWAY	25,450	1	950.10B	SWITZLD	14,882	2	950.10C	EEC	268,813	3
950.10B	NORWAY	20,000	1	950.10B	SWITZLD	12,126	2	950.10C	EEC	210,415	2
950.10B	NORWAY	20,000	1	950.10B	SWITZLD	11,563	2	950.10C	EEC	190,650	1
950.10B	NORWAY	20,000	1	950.10B	SWITZLD	10,693	2	950.10C	EEC	173,350	3
950.10B	NORWAY	16,220	1	950.10B	SWITZLD	10,000	1	950.10C	EEC	146,228	1
950.10B	NORWAY	5,300	1	950.10B	SWITZLD	9,348	2	950.10C	EEC	146,150	1
Ctry Total		15,174,055	56	950.10B	SWITZLD	8,204	2	950.10C	EEC	134,234	3
				950.10B	SWITZLD	6,740	2	950.10C	EEC	123,570	2
950.10B	OTH-CTY	67,918	1	950.10B	SWITZLD	5,803	2	950.10C	EEC	123,507	1
950.10B	OTH-CTY	59,131	1	950.10B	SWITZLD	4,544	2	950.10C	EEC	82,850	1
950.10B	OTH-CTY	13,050	1	950.10B	SWITZLD	1,849	1	950.10C	EEC	82,810	2
950.10B	OTH-CTY	10,000	1	950.10B	SWITZLD	1,203	1	950.10C	EEC	75,547	3
950.10B	OTH-CTY	10,000	1	950.10B	SWITZLD	303	1	950.10C	EEC	74,650	2
950.10B	OTH-CTY	10,000	1	950.10B	SWITZLD		1	950.10C	EEC	74,428	1
950.10B	OTH-CTY	10,000	1	950.10B	SWITZLD		1	950.10C	EEC	73,663	2
950.10B	OTH-CTY	10,000	1					950.10C	EEC	73,074	1
Ctry Total		180,099	7	Ctry Total		7,494,443	92	950.10C	EEC	68,221	2
				App Total		69,958,012	689	950.10C	EEC	56,420	2
950.10B	SWITZLD	1,861,252	2					950.10C	EEC	55,560	1
950.10B	SWITZLD	1,046,472	2	950.10C	AUSTRIA	754,003	3	950.10C	EEC	52,020	1
950.10B	SWITZLD	735,161	1	950.10C	AUSTRIA	666,630	3	950.10C	EEC	46,000	2
950.10B	SWITZLD	682,871	3	950.10C	AUSTRIA	227,386	3	950.10C	EEC	46,000	2
950.10B	SWITZLD	394,721	2	950.10C	AUSTRIA	100,941	2	950.10C	EEC	46,000	2
950.10B	SWITZLD	342,946	2	950.10C	AUSTRIA	49,000	1	950.10C	EEC	46,000	2
950.10B	SWITZLD	331,564	2	950.10C	AUSTRIA	20,390	1	950.10C	EEC	46,000	2
950.10B	SWITZLD	293,437	3	950.10C	AUSTRIA	20,390	1	950.10C	EEC	46,000	2
950.10B	SWITZLD	286,380	2	950.10C	AUSTRIA	16,237	1	950.10C	EEC	46,000	2
950.10B	SWITZLD	260,912	2	950.10C	AUSTRIA	15,290	1	950.10C	EEC	39,987	2
950.10B	SWITZLD	162,037	2	950.10C	AUSTRIA	11,939	1	950.10C	EEC	39,191	2
950.10B	SWITZLD	148,809	3	950.10C	AUSTRIA	10,000	2	950.10C	EEC	39,058	2
950.10B	SWITZLD	109,236	3	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,829	2
950.10B	SWITZLD	79,027	2	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,467	2
950.10B	SWITZLD	73,179	1	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,000	1
950.10B	SWITZLD	62,243	2	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,000	1
950.10B	SWITZLD	55,210	2	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,000	1
950.10B	SWITZLD	51,630	3	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,000	1
950.10B	SWITZLD	49,511	2	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,000	1
950.10B	SWITZLD	45,637	2	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,000	1
950.10B	SWITZLD	44,051	2	950.10C	AUSTRIA	10,000	1	950.10C	EEC	36,000	1

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

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Table 12.- License Amounts by TSUSA Appendix by Country of Origin-Continued

Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.10C	SWITZLD	20,293	3	950.10D	ARGENT	198,414	1	950.10D	CANADA	25,000	1
950.10C	SWITZLD	13,656	2	950.10D	ARGENT	10,673	1	950.10D	CANADA	20,080	1
950.10C	SWITZLD	13,227	1	950.10D	ARGENT	6,283	1	950.10D	CANADA	1,740	1
950.10C	SWITZLD	12,072	2	Ctry Total		215,370	3	Ctry Total		2,006,315	23
950.10C	SWITZLD	11,670	2								
950.10C	SWITZLD	11,457	1	950.10D	AUSTRAL	985,058	2	950.10D	EEC	4,721,200	3
950.10C	SWITZLD	10,831	2	950.10D	AUSTRAL	335,695	1	950.10D	EEC	2,785,107	4
950.10C	SWITZLD	10,818	2	950.10D	AUSTRAL	232,330	1	950.10D	EEC	1,982,156	8
950.10C	SWITZLD	10,421	2	950.10D	AUSTRAL	199,874	1	950.10D	EEC	1,966,856	3
950.10C	SWITZLD	10,350	1	950.10D	AUSTRAL	199,874	1	950.10D	EEC	1,916,030	5
950.10C	SWITZLD	10,350	1	950.10D	AUSTRAL	158,130	1	950.10D	EEC	1,169,420	3
950.10C	SWITZLD	10,350	1	950.10D	AUSTRAL	111,300	1	950.10D	EEC	1,154,996	5
950.10C	SWITZLD	10,350	1	950.10D	AUSTRAL	63,598	1	950.10D	EEC	1,082,382	3
950.10C	SWITZLD	10,350	1	950.10D	AUSTRAL	28,929	1	950.10D	EEC	887,251	6
950.10C	SWITZLD	10,350	1	Ctry Total		2,314,788	10	950.10D	EEC	758,979	6
950.10C	SWITZLD	10,350	1						EEC	627,536	3
950.10C	SWITZLD	10,350	1	950.10D	AUSTRIA	432,797	3	950.10D	EEC	561,592	5
950.10C	SWITZLD	10,350	1	950.10D	AUSTRIA	307,232	3	950.10D	EEC	542,854	6
950.10C	SWITZLD	10,350	1	950.10D	AUSTRIA	296,329	3	950.10D	EEC	530,086	3
950.10C	SWITZLD	10,350	1	950.10D	AUSTRIA	148,868	2	950.10D	EEC	528,046	2
950.10C	SWITZLD	10,350	1	950.10D	AUSTRIA	146,059	2	950.10D	EEC	517,302	4
950.10C	SWITZLD	10,350	1	950.10D	AUSTRIA	49,435	2	950.10D	EEC	487,226	2
950.10C	SWITZLD	10,350	1	950.10D	AUSTRIA	23,319	1	950.10D	EEC	476,221	5
950.10C	SWITZLD	8,820	2	950.10D	AUSTRIA	20,570	1	950.10D	EEC	407,838	6
950.10C	SWITZLD	8,761	2	950.10D	AUSTRIA	3,546	1	950.10D	EEC	402,820	5
950.10C	SWITZLD	8,610	1	950.10D	AUSTRIA	3,093	1	950.10D	EEC	394,586	2
950.10C	SWITZLD	5,777	2	950.10D	AUSTRIA	880	1	950.10D	EEC	391,517	5
950.10C	SWITZLD	5,568	2	950.10D	AUSTRIA	542	1	950.10D	EEC	382,741	3
950.10C	SWITZLD	5,169	2	Ctry Total		1,432,670	21	950.10D	EEC	379,361	3
950.10C	SWITZLD	2,330	1						EEC	366,458	3
950.10C	SWITZLD	2,271	2	950.10D	CANADA	152,100	1	950.10D	EEC	339,700	3
950.10C	SWITZLD	2,180	2	950.10D	CANADA	143,325	1	950.10D	EEC	334,597	5
950.10C	SWITZLD	1,415	1	950.10D	CANADA	143,325	1	950.10D	EEC	320,807	4
950.10C	SWITZLD	1,360	1	950.10D	CANADA	143,325	1	950.10D	EEC	317,386	8
950.10C	SWITZLD	1,217	2	950.10D	CANADA	143,325	1	950.10D	EEC	312,856	2
950.10C	SWITZLD	1,202	2	950.10D	CANADA	143,325	1	950.10D	EEC	285,506	2
950.10C	SWITZLD	1,013	1	950.10D	CANADA	143,325	1	950.10D	EEC	255,483	6
950.10C	SWITZLD	1,006	2	950.10D	CANADA	143,325	1	950.10D	EEC	243,330	3
950.10C	SWITZLD	968	1	950.10D	CANADA	143,325	1	950.10D	EEC	228,023	3
950.10C	SWITZLD	627	1	950.10D	CANADA	143,325	1	950.10D	EEC	227,150	3
950.10C	SWITZLD	473	2	950.10D	CANADA	143,325	1	950.10D	EEC	227,064	2
950.10C	SWITZLD	184	1	950.10D	CANADA	130,000	1	950.10D	EEC	210,496	2
950.10C	SWITZLD	184	1	950.10D	CANADA	60,000	1	950.10D	EEC	209,561	3
950.10C	SWITZLD		1	950.10D	CANADA	50,000	1	950.10D	EEC	203,160	3
950.10C	SWITZLD		1	950.10D	CANADA	50,000	1	950.10D	EEC	191,154	3
950.10C	SWITZLD		1	950.10D	CANADA	50,000	1	950.10D	EEC	186,196	2
950.10C	SWITZLD		1	950.10D	CANADA	50,000	1	950.10D	EEC	184,729	2
950.10C	SWITZLD		1	950.10D	CANADA	50,000	1	950.10D	EEC	183,798	3
950.10C	SWITZLD		1	950.10D	CANADA	50,000	1	950.10D	EEC	159,203	5
950.10C	SWITZLD		1	950.10D	CANADA	40,000	1	950.10D	EEC	155,554	3
950.10C	SWITZLD		1	950.10D	CANADA	37,470	2	950.10D	EEC	153,834	2
Ctry Total		3,194,360	102								
App Total		15,533,385	354								

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

Licenses			Licenses			Licenses					
Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.10D	EEC	147,800	3	950.10D	EEC	78,336	2	950.10D	EEC	43,404	2
950.10D	EEC	147,602	2	950.10D	EEC	78,336	2	950.10D	EEC	43,125	2
950.10D	EEC	140,832	3	950.10D	EEC	78,336	2	950.10D	EEC	42,788	2
950.10D	EEC	124,523	3	950.10D	EEC	78,336	2	950.10D	EEC	42,535	2
950.10D	EEC	124,373	3	950.10D	EEC	78,336	2	950.10D	EEC	42,496	1
950.10D	EEC	119,539	3	950.10D	EEC	78,336	2	950.10D	EEC	42,146	2
950.10D	EEC	119,154	3	950.10D	EEC	78,336	2	950.10D	EEC	42,013	2
950.10D	EEC	116,110	2	950.10D	EEC	78,336	2	950.10D	EEC	41,926	2
950.10D	EEC	116,102	3	950.10D	EEC	78,336	2	950.10D	EEC	41,805	2
950.10D	EEC	114,616	2	950.10D	EEC	78,336	2	950.10D	EEC	39,940	1
950.10D	EEC	105,090	3	950.10D	EEC	78,336	2	950.10D	EEC	39,940	1
950.10D	EEC	102,590	2	950.10D	EEC	73,955	2	950.10D	EEC	39,940	1
950.10D	EEC	101,505	2	950.10D	EEC	71,353	4	950.10D	EEC	39,940	1
950.10D	EEC	100,808	3	950.10D	EEC	69,207	4	950.10D	EEC	39,940	1
950.10D	EEC	98,356	3	950.10D	EEC	68,614	4	950.10D	EEC	39,940	1
950.10D	EEC	95,353	3	950.10D	EEC	64,716	2	950.10D	EEC	39,940	1
950.10D	EEC	94,480	3	950.10D	EEC	63,646	2	950.10D	EEC	39,940	1
950.10D	EEC	93,225	3	950.10D	EEC	62,577	3	950.10D	EEC	39,940	1
950.10D	EEC	89,286	2	950.10D	EEC	61,675	2	950.10D	EEC	39,940	1
950.10D	EEC	89,062	2	950.10D	EEC	61,616	4	950.10D	EEC	39,940	1
950.10D	EEC	88,081	3	950.10D	EEC	61,596	2	950.10D	EEC	39,940	1
950.10D	EEC	86,676	2	950.10D	EEC	61,518	2	950.10D	EEC	39,477	2
950.10D	EEC	86,298	3	950.10D	EEC	59,940	4	950.10D	EEC	38,448	2
950.10D	EEC	86,023	3	950.10D	EEC	59,686	2	950.10D	EEC	38,396	1
950.10D	EEC	85,628	3	950.10D	EEC	59,447	2	950.10D	EEC	38,396	1
950.10D	EEC	85,506	3	950.10D	EEC	59,356	2	950.10D	EEC	38,396	1
950.10D	EEC	84,833	3	950.10D	EEC	58,996	2	950.10D	EEC	38,396	1
950.10D	EEC	80,733	3	950.10D	EEC	58,724	2	950.10D	EEC	38,396	1
950.10D	EEC	80,407	2	950.10D	EEC	58,616	3	950.10D	EEC	38,396	1
950.10D	EEC	78,691	2	950.10D	EEC	58,466	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	58,416	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	58,416	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	57,886	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	55,683	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	55,016	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	54,670	1	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	54,368	1	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	54,160	1	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	54,026	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	53,486	3	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	52,261	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	51,693	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	50,775	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	50,304	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	49,100	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	48,466	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	46,440	1	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	46,041	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	45,228	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	45,185	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	44,397	2	950.10D	EEC	38,396	1
950.10D	EEC	78,336	2	950.10D	EEC	43,428	2	950.10D	EEC	38,396	1

Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

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Table 12.—License Amounts by TSUSA Appendix by Country of Origin—Continued

Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses	Appendix	Country	License amount	Licenses
950.10D	N ZEAL	40,000	1	950.10D	OTH-CTY	43,300	1	950.10D	SWITZLD	154,580	3
950.10D	N ZEAL	40,000	1	950.10D	OTH-CTY	43,300	1	950.10D	SWITZLD	134,480	1
950.10D	N ZEAL	40,000	1	950.10D	OTH-CTY	35,000	1	950.10D	SWITZLD	120,232	2
950.10D	N ZEAL	40,000	1	950.10D	OTH-CTY	14,400	1	950.10D	SWITZLD	105,484	3
950.10D	N ZEAL	40,000	1	Ctry Total		287,300	6	950.10D	SWITZLD	97,346	2
950.10D	N ZEAL	40,000	1					950.10D	SWITZLD	90,125	2
950.10D	N ZEAL	40,000	1					950.10D	SWITZLD	84,138	2
950.10D	N ZEAL	40,000	1	950.10D	POLAND	1,857,600	1	950.10D	SWITZLD	83,748	2
950.10D	N ZEAL	40,000	1	950.10D	POLAND			950.10D	SWITZLD	77,076	3
950.10D	N ZEAL	40,000	1	950.10D	POLAND			950.10D	SWITZLD	73,787	2
950.10D	N ZEAL	40,000	1	Ctry Total		2,063,998	3	950.10D	SWITZLD	64,387	2
950.10D	N ZEAL	40,000	1					950.10D	SWITZLD	54,728	2
950.10D	N ZEAL	40,000	1					950.10D	SWITZLD	53,777	2
950.10D	N ZEAL	40,000	1	950.10D	PORTUGL	194,555	1	950.10D	SWITZLD	48,665	2
950.10D	N ZEAL	40,000	1	950.10D	PORTUGL	140,933	2	950.10D	SWITZLD	42,702	2
950.10D	N ZEAL	40,000	1	950.10D	PORTUGL	135,738	1	950.10D	SWITZLD	38,135	2
950.10D	N ZEAL	40,000	1	950.10D	PORTUGL	97,277	1	950.10D	SWITZLD	37,822	2
950.10D	N ZEAL	40,000	1	950.10D	PORTUGL	97,272	1	950.10D	SWITZLD	37,070	1
950.10D	N ZEAL	40,000	1	950.10D	PORTUGL	76,272	1	950.10D	SWITZLD	30,635	2
950.10D	N ZEAL	39,765	2	950.10D	PORTUGL	54,789	1	950.10D	SWITZLD	30,493	2
950.10D	N ZEAL	37,275	2	950.10D	PORTUGL	25,227	1	950.10D	SWITZLD	27,578	2
950.10D	N ZEAL	30,105	2	950.10D	PORTUGL	25,059	1	950.10D	SWITZLD	20,917	2
950.10D	N ZEAL	30,105	2	950.10D	PORTUGL	17,434	1	950.10D	SWITZLD	19,852	2
950.10D	N ZEAL	26,190	2	950.10D	PORTUGL	3,656	1	950.10D	SWITZLD	17,223	2
950.10D	N ZEAL	15,030	2	Ctry Total		868,217	12	950.10D	SWITZLD	16,912	2
950.10D	N ZEAL	12,680	1					950.10D	SWITZLD	16,824	2
950.10D	N ZEAL	11,910	2					950.10D	SWITZLD	15,789	2
Ctry Total		24,927,227	100	950.10D	SWEDEN	1,868,222	3	950.10D	SWITZLD	15,752	2
				950.10D	SWEDEN	76,787	2	950.10D	SWITZLD	14,371	1
				950.10D	SWEDEN	62,010	2	950.10D	SWITZLD	14,249	2
950.10D	NORWAY	84,150	1	950.10D	SWEDEN	43,353	1	950.10D	SWITZLD	12,399	2
950.10D	NORWAY	40,820	1	950.10D	SWEDEN	40,000	1	950.10D	SWITZLD	10,848	2
950.10D	NORWAY	40,470	1	950.10D	SWEDEN	30,941	1	950.10D	SWITZLD	7,570	2
950.10D	NORWAY	40,000	1	950.10D	SWEDEN	23,495	1	950.10D	SWITZLD	6,843	1
950.10D	NORWAY	19,560	1	950.10D	SWEDEN	20,626	1	950.10D	SWITZLD	5,138	1
950.10D	NORWAY	16,070	1	950.10D	SWEDEN	15,346	1	950.10D	SWITZLD	5,121	2
950.10D	NORWAY	14,040	1	950.10D	SWEDEN	13,521	1	950.10D	SWITZLD	3,490	1
950.10D	NORWAY	12,600	1	950.10D	SWEDEN	5,135	1	950.10D	SWITZLD	3,273	1
950.10D	NORWAY	12,090	1	950.10D	SWEDEN	5,000	1	950.10D	SWITZLD	2,738	1
950.10D	NORWAY	9,470	1	950.10D	SWEDEN	4,618	1	950.10D	SWITZLD	2,627	1
950.10D	NORWAY	6,960	1	950.10D	SWEDEN	2,113	1	950.10D	SWITZLD	2,052	1
950.10D	NORWAY	5,020	1	950.10D	SWEDEN	1,823	1	950.10D	SWITZLD	1,577	1
950.10D	NORWAY	4,860	1	950.10D	SWEDEN	424	1	950.10D	SWITZLD	1,348	1
950.10D	NORWAY	4,780	1	Ctry Total		2,213,414	20	950.10D	SWITZLD	1,095	1
950.10D	NORWAY	4,680	1					950.10D	SWITZLD	666	1
950.10D	NORWAY	4,680	1					950.10D	SWITZLD	503	1
Ctry Total		324,930	17	950.10D	SWITZLD	459,616	2	Ctry Total		3,567,623	95
				950.10D	SWITZLD	453,882	3				
				950.10D	SWITZLD	298,001	3				
950.10D	OTH-CTY	108,000	1	950.10D	SWITZLD	248,367	3	App Total		88,760,887	789
950.10D	OTH-CTY	43,300	1	950.10D	SWITZLD	230,468	2				
				950.10D	SWITZLD	171,124	2	950.10E	AUSTRAL	252,027	3
								950.10E	AUSTRAL	150,614	1

Table 12.--License Amounts by TSUSA Appendix by Country of Origin--Continued

[illegible]

Table 13.—License Amounts by State (Determined by the Mailing Address of Each Licensee)

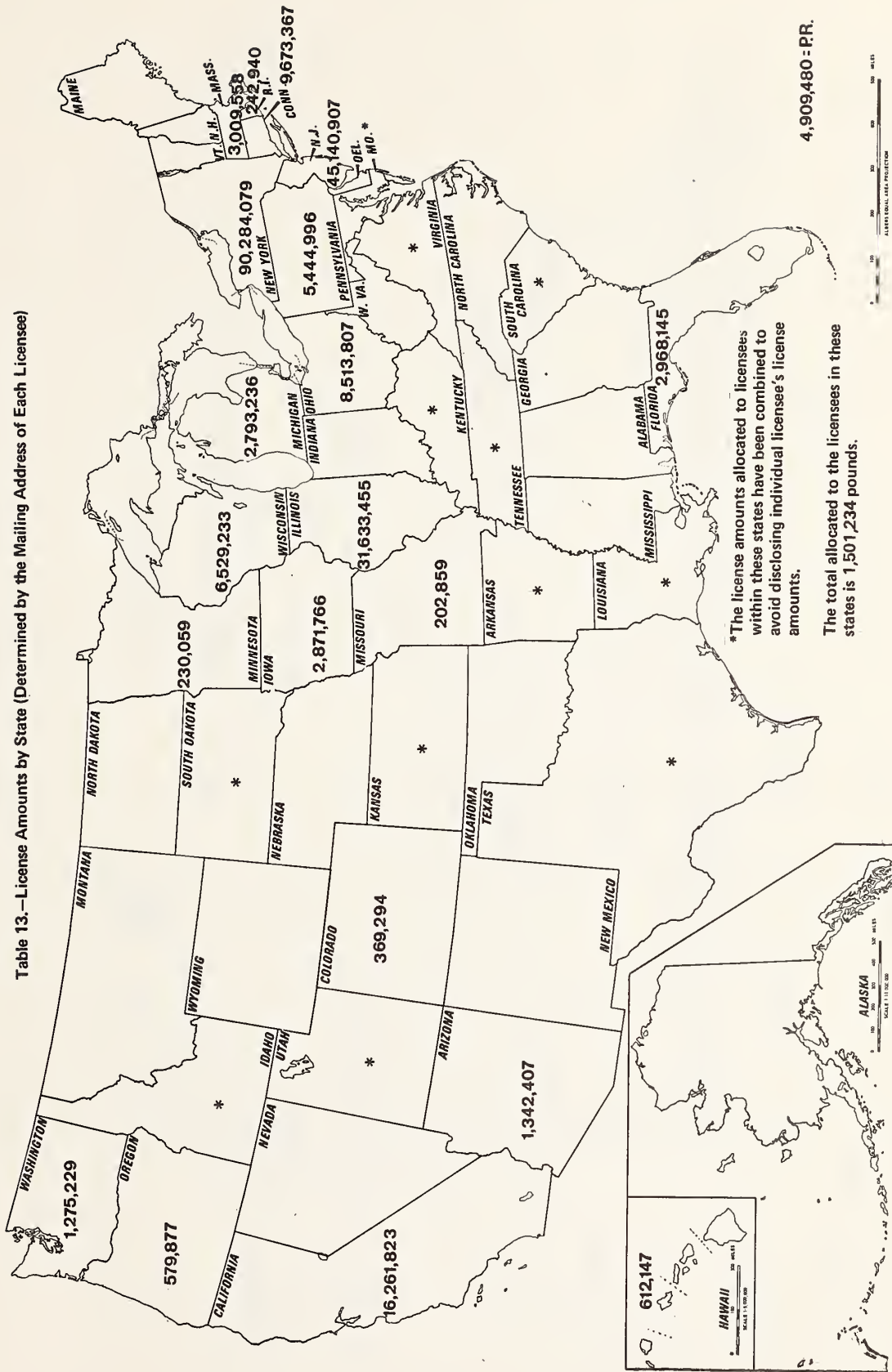
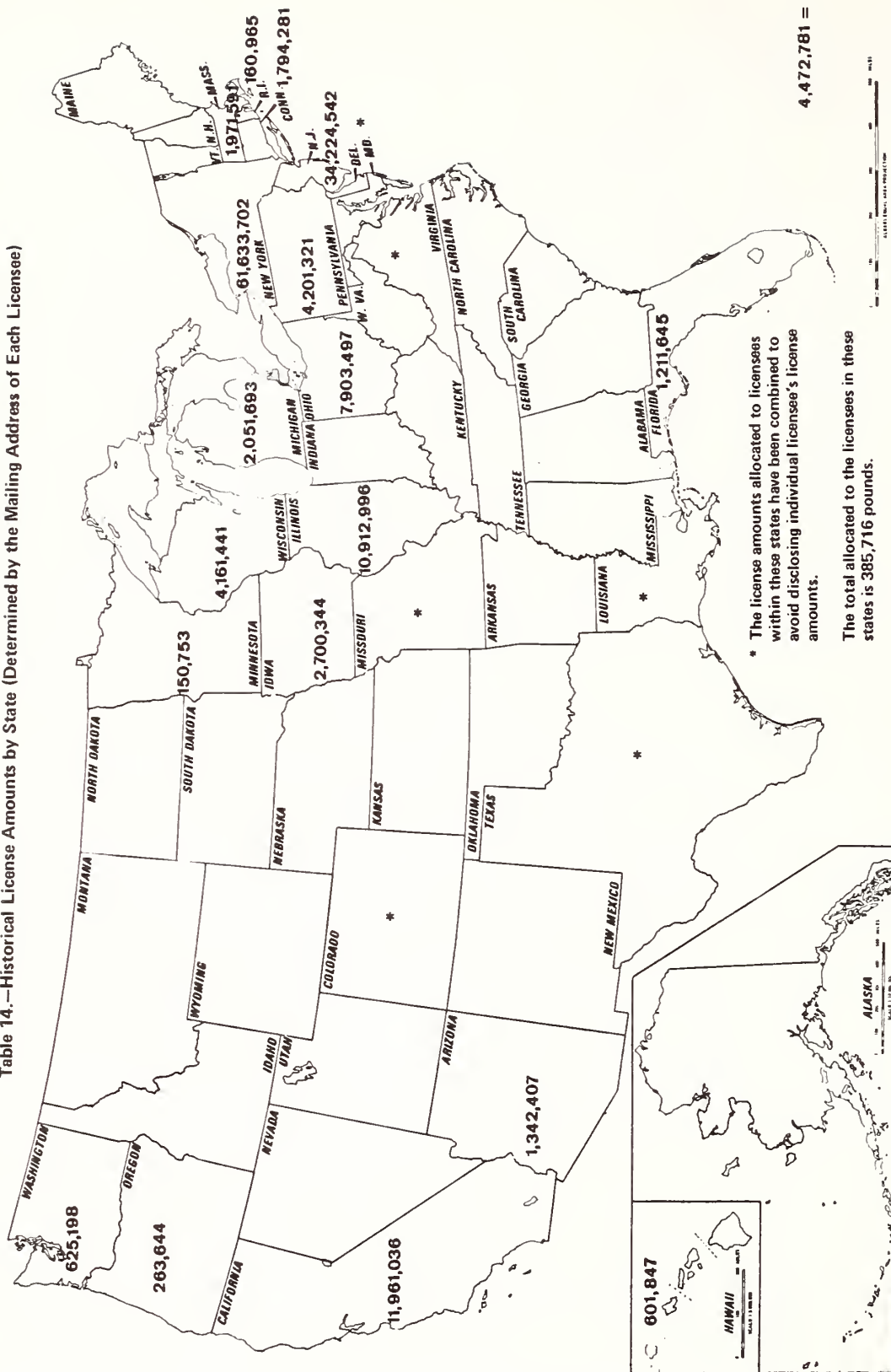


Table 14.—Historical License Amounts by State (Determined by the Mailing Address of Each Licensee)



4,472,781 = PR

* The license amounts allocated to licensees within these states have been combined to avoid disclosing individual licensee's license amounts.

The total allocated to the licensees in these states is 385,716 pounds.

Table 15.—Historical Licenses Canceled in 1979 and 1980¹

TSUS Appendix No.	Country	Basic Annual Allocation
950.07 "Blue"	EC	21,330
	EC	8,600
	Total	29,930
950.09A "Edam and Gouda"	EC	10,175
	EC	28,130
	EC	10,090
	EC	10,090
	Total	58,485
950.10 "Italian-Type in Original Loaves"	EC	27,310
	Argentina	13,300
	Argentina	1,882
	Argentina	76,666
	Argentina	15,077
	EC	31,434
	Argentina	14,532
	Total	180,201
950.10A "Italian-NIOL"	Argentina	33,560
	Total	33,560
950.10B "Swiss-Type"	EC	20,260
	EC	15,190
	EC	21,940
	EC	20,260
	Total	77,650
950.10C "Gruyere-Process"	Austria	15,290
	EC	5,100
	EC	20,420
	Switzerland	24,710
	Total	47,520
950.10D "NSPF"	EC	20,020
	EC	15,010
	Austria	4,280
	EC	20,020
	EC	33,140
	EC	20,020
	EC	20,020
	EC	20,020
	Norway	18,730
	EC	19,740
	EC	20,990
	EC	22,340
	Total	234,330
950.10E "Lowfat"	EC	52,990
	Total	52,990
Grand Total		714,666

¹ Old Historical Licenses only. New Historical Licenses were first created in 1980; thus none were canceled.

Table 16.—Licenses Voluntarily Surrendered and Reissued in 1980

Country of Origin	Cheese Type	Total Quota	Amount Surrendered	Amount Issued	Amount of Quota Use
EEC	Blue	5,465,203	672,462	672,000	4,406,902
Argentina	Blue	4,409	3,310	0	—
EEC	Cheddar	579,809	28,945	28,000	534,324
Australia	Cheddar	2,645,520	10,300	10,200	2,578,439
New Zealand	Cheddar	6,834,260	11,988	11,900	6,793,352
Other Country	Cheddar	308,399	101,770	80,000	234,180
Australia	American	2,204,600	10,150	9,900	2,197,041
EEC	American	559,968	494,680	494,400	0
New Zealand	American	4,409,200	11,317	11,200	4,390,963
Other Country	American	317,598	26,520	26,000	362,730
EC	Edam	8,842,650	63,351	63,000	8,439,298
Sweden	Edam	90,388	—	0	88,289
Argentina	Edam	275,575	—	0	272,113
EC	Proc Edam	2,727,090	843,303	842,000	1,753,494
Norway	Proc Edam	368,168	214,090	0	114,726
Other Country	Proc Edam	55,999	20,500	0	34,325
EC	IOL	3,886,709	8,725	8,700	3,764,561
Argentina	IOL	8,487,710	4,717,484	—	1,837,934
EC	NIOL	103,616	32,600	—	77,626
Argentina	NIOL	1,417,557	375,987	—	854,418
Other Country	NIOL	28,798	28,000	—	0
Austria	Emmenthaler	13,844,888	141,708	141,600	13,425,320
Canada	Emmenthaler	154,322	145,000	0	0
EEC	Emmenthaler	13,277,600	3,376,790	2,316,000	9,668,757
Finland	Emmenthaler	18,077,720	69,200	69,000	17,986,757
Israel	Emmentahler	59,524	54,000	0	0
Norway	Emmenthaler	15,174,261	1,584,076	1,584,000	15,107,549
Other Country	Emmenthaler	187,999	48,659	48,000	161,703
Switzerland	Emmenthaler	7,561,778	1,790,612	626,000	5,166,762
Austria	Gruyere Proc	2,028,232	2,951	2,900	1,960,428
EEC	Gruyere Proc	7,716,100	1,361,817	1,184,915	5,992,003
Finland	Gruyere Proc	2,204,600	47	0	2,156,127
Other Country	Gruyere Proc	175,999	56,920	56,000	36,773
Switzerland	Gruyere Proc	4,078,510	260,125	28,000	2,797,250
Argentina	Other NSPF	220,460	10,673	10,000	16,235
Australia	Other NSPF	2,314,830	21,696	21,600	2,697,354
Austria	Other NSPF	1,432,990	542	0	1,439,256
Canada	Other NSPF	2,515,448	749,851	590,000	1,207,993
EEC	Other NSPF	44,092,000	12,485,201	4,288,742	29,820,823
New Zealand	Other NSPF	24,960,481	3,048	3,000	25,253,850
Norway	Other NSPF	330,690	203,575	203,400	91,386
Other Country	Other NSPF	444,525	86,600	86,000	267,834
Sweden	Other NSPF	2,334,671	144,785	144,000	1,356,308
Switzerland	Other NSPF	2,689,612	1,114,114	35,113	2,132,636
Portugal	Other NSPF	1,005,297	137,078	137,000	943,127
EEC	Lowfat	8,818,400	5,341,473	550,000	3,147,780
Any Country	Malted	6,000	4,500	0	0
EC	Butter	212,000	74,620	73,800	91,423
Other Country	Butter	163,000	41,643	0	119,164

APPENDICES

1. Sections 701 and 702 of the Trade Agreements Act of 1979
2. Section 22 Handbook
3. Presidential Proclamation 3019 of June 8, 1953
4. Presidential Proclamation 4708 of December 11, 1979
5. Presidential Proclamation 4811 of December 31, 1979
6. Import Regulation I, Revision 7, as amended
7. Import Regulation 2

Appendix 1: Sections 701 and 702 of the Trade Agreements Act of 1979

19 USC 1202
note.

SEC. 701. LIMITATION ON CHEESE IMPORTS.

(a) **PROCLAMATION.**—The President shall by proclamation limit the amount of quota cheese which may enter the customs territory of the United States in any calendar year after 1979 to not more than 111,000 metric tons. Any such proclamation shall be considered a proclamation which is issued by the President under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624) and which meets the requirements of such section.

(b) **RESTRICTION ON EMERGENCY ACTION.**—No increase in the amount proclaimed under subsection (a) to an amount greater than 111,000 metric tons for any calendar year may be proclaimed except in accordance with section 22 of the Agricultural Adjustment Act. The President may not proclaim any such increase to an amount greater than 111,000 metric tons by use of the procedure established for immediate action by the second paragraph of subsection (b) of

such section, at any time before January 1, 1983, unless the Secretary determines that extraordinary circumstances warrant such action and reports such determination to the President.

(c) DEFINITIONS.—For purposes of this title—

(1) QUOTA CHEESE.—The term “quota cheese” means the articles provided for in the following items of the Tariff Schedules of the United States:

19 USC 1202.

(A) 117.00 (except Stilton produced in the United Kingdom);

(B) 117.05 (except Stilton produced in the United Kingdom);

(C) 117.15;

(D) 117.20;

(E) 117.25;

(F) 117.40 (except Goya in original loaves);

(G) 117.55;

(H) 117.60 (except Gammelost and Nokkelost);

(I) 117.75 (except goat's milk cheeses and soft-ripened cow's milk cheeses);

(J) 117.81; and

(K) 117.85 (except goat's milk cheeses and soft-ripened cow's milk cheeses).

(2) SECRETARY.—The term “Secretary” means the Secretary of Agriculture.

SEC. 702. ENFORCEMENT.

(a) DETERMINATION AND LISTING OF SUBSIDIES.—

19 USC 1202
note.

(1) INITIAL DETERMINATION AND ANNUAL LISTING.—Not later than January 1, 1980, the administering authority shall—

(A) determine, in consultation with the Secretary, whether any foreign government is providing a subsidy with respect to any article of quota cheese, and

(B) publish a list of the type and the amount of each such subsidy which is determined to exist.

Not later than January 1 of each year beginning with 1981, the administering authority shall republish such list, incorporating the changes and additional subsidies determined for the preceding calendar year under paragraph (2).

(2) QUARTERLY DETERMINATION OF CHANGES AND ADDITIONAL SUBSIDIES.—Not later than April 1, July 1, and October 1 of each year beginning with 1980, and not later than January 1 of each year beginning with 1981, the administering authority shall determine, in consultation with the Secretary—

(A) whether any changes in the type or amount of any subsidy included in the current annual list under paragraph (1) (as modified by quarterly lists under this paragraph) have occurred, and

(B) whether any subsidy not included in such list is being provided with respect to any article of quota cheese by a foreign government, and the type and amount of any such subsidy which is determined to exist.

Not later than April 1, July 1, and October 1, the administering authority shall publish such changes and additional subsidies for the preceding calendar quarter.

(3) ADDITIONAL DETERMINATIONS.—Any person, including the Secretary, may request the administering authority to make a determination under subparagraph (A) or (B) of paragraph (2). Not later than 30 days after receiving such a request, the

administering authority shall (A) make the determination, in consultation with the Secretary, (B) notify the person making the request of such determination, and (C) publish such modification, if any. Any such determination shall be in addition to the quarterly determinations required under paragraph (2). Requests made under this paragraph shall be supported by information reasonably available to the person requesting the determination.

(b) COMPLAINTS OF PRICE-UNDERCUTTING BY SUBSIDIZED IMPORTS.—

(1) IN GENERAL.—Any person may make a written complaint to the Secretary alleging that—

"Duty-paid
wholesale price."

(A) the price at which any article of quota cheese is offered for sale in the United States on a duty-paid wholesale basis (hereinafter in this section referred to as the "duty-paid wholesale price") is less than the domestic wholesale market price of similar articles produced in the United States, and

(B) a foreign government is providing a subsidy with respect to such article of quota cheese.

(2) DETERMINATIONS.—(A) The Secretary shall investigate and determine, not later than 30 days after receiving a complaint under paragraph (1), the validity of the allegations made under paragraph (1)(A).

(B) Except as otherwise provided in this subparagraph, the existence and the type and amount of any subsidy alleged under paragraph (1)(B) shall be determined by reference to the current list, as determined and published under subsection (a). If the complaint alleges a subsidy which is not included in such current list, or which is different in type or amount from a subsidy which is included in such current list, the Secretary shall immediately request the administering authority to make a determination with respect to the subsidy pursuant to subsection (a)(3). The administering authority shall make such determination in accordance with such subsection and shall report such determination to the Secretary.

(c) REPORTS OF DETERMINATIONS.—

Publication in
Federal
Register.

(1) PUBLICATION.—The Secretary shall publish the determinations made under subsection (b) in the Federal Register not later than 5 days after the date on which the Secretary makes his determination under subsection (b)(2)(A).

(2) NOTIFICATION OF FOREIGN GOVERNMENT.—Whenever it is determined under subsection (b) that the duty-paid wholesale price of any article of quota cheese is less than the domestic wholesale market price of a similar article produced in the United States and that a foreign government is providing a subsidy with respect to such article of quota cheese, the Secretary shall immediately notify the Special Representative for Trade Negotiations. The Special Representative shall notify the foreign government or governments involved of such determination not later than 3 days after the date on which the Secretary makes his determination under subsection (b)(2)(A).

(3) REPORT TO PRESIDENT.—If, within 15 days after receiving notification under paragraph (2), the foreign government does not eliminate the subsidy or take such action as may be necessary to ensure that the duty-paid wholesale price of the article of quota cheese will not be less than the domestic wholesale market price of similar articles produced in the United States, the Secretary shall immediately—

(A) report the determinations under subsection (b) to the President, and

(B) recommend the imposition of a fee or quantitative limitation with respect to the importation of such article of quota cheese from the country involved, in such amount as the Secretary determines necessary.

(d) **PRESIDENTIAL ACTION.**—

(1) **IN GENERAL.**—Not later than 7 days after receiving a report under subsection (c)(3) with respect to an article of quota cheese (or not later than 3 days after receiving a report under paragraph (2) of this subsection in any case in which such paragraph applies), the President shall—

(A) proclaim the imposition of a fee on the importation of such article from the country involved in such amount (not to exceed the amount of the subsidy determined under subsection (b)(2)(B)) as may be necessary to ensure that the duty-paid wholesale price of such article will not be less than the domestic wholesale market price of similar articles produced in the United States, or

(B) proclaim a prohibition on the entry, in whole or part, of such article of quota cheese from such country into the United States,

and shall direct the Commissioner of Customs to administer and enforce such fee or quantitative limitation. Any fee imposed under subparagraph (A) or any quantitative limitation imposed under subparagraph (B) shall be in addition to any other fee or quantitative limitation imposed by law on the importation of quota cheese.

(2) **ADDITIONAL INVESTIGATION.**—If the President finds that the determinations or recommendations of the Secretary reported under subsection (c)(3) are unsubstantiated by fact, he shall, not later than 7 days after receiving such report, notify the Secretary and direct him to make a further investigation. The Secretary shall, within 7 days of receiving such notification, make such investigation and report his findings to the President, including any modification in such determinations or recommendations. The President shall thereupon make the proclamation required by paragraph (1), unless the Secretary finds that there is no basis for the determinations or recommendations reported under subsection (c)(3) whether or not modified.

(e) **ADMINISTRATION.**—Any fee or quantitative limitation proclaimed pursuant to subsection (d) and any termination or modification thereof pursuant to subsection (g) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date which is 3 days after the President makes the proclamation required by subsection (d). Such fees shall be treated for administrative purposes as duties imposed by the Tariff Act of 1930, but shall not be considered as duties for the purpose of granting any preferential concession under any law or international obligation of the United States.

(f) **INAPPLICABILITY OF COUNTERVAILING DUTIES DURING EFFECTIVE PERIOD OF CHEESE AGREEMENTS.**—No countervailing duty shall be imposed under title I of this Act or under section 303 of the Tariff Act of 1930 with respect to an article of quota cheese which is the product of any country at any time during which an agreement relating to cheese described in section 2(c)(8) containing a commitment from a foreign government with respect to price undercutting is in effect between the United States and such country.

Importation fee.

Report to President.

Proclamation.

19 USC 1654.

Ante, p. 150.
19 USC 1303.

(g) TERMINATION OR MODIFICATION OF PRESIDENTIAL ACTION.—

(1) TERMINATION.—If, at any time after the President takes an action under subsection (d) with respect to the importation from a foreign country of an article of quota cheese, the Secretary receives reasonable evidence and assurance that, with respect to future entries of such article into the customs territory of the United States—

(A) the duty-paid wholesale price of such article will not be less than the domestic wholesale market price of similar articles produced in the United States, or

(B) the foreign government will no longer provide a subsidy with respect to such article of quota cheese,

Report to
President.
Proclamation.

the Secretary shall notify the President of such finding and the President shall, by proclamation, terminate such action with respect to the importation of such article from such country.

(2) MODIFICATION.—The Secretary shall recommend to the President such modifications of fees or quantitative limitations imposed under subsection (d) with respect to any article of quota cheese as may be necessary to ensure that the duty-paid wholesale price of such article will not be less than the domestic wholesale market price of similar articles produced in the United States, and the President shall, by proclamation, make such modifications. The amount of any fee, as so modified, shall not be greater than the amount of the subsidy provided by the foreign government with respect to the article of quota cheese.

Proclamation.

(h) DEFINITIONS.—For purposes of this section—

(1) ADMINISTERING AUTHORITY.—The term “administering authority” has the same meaning such term has in section 771(1) of the Tariff Act of 1930.

Ante, p. 176.

(2) SUBSIDY.—The term “subsidy” has the same meaning such term has in section 771(5) of the Tariff Act of 1930.

(3) DOMESTIC WHOLESALE MARKET, DOMESTIC WHOLESALE MARKET PRICE, AND DUTY-PAID WHOLESALE PRICE.—The domestic wholesale market and the domestic wholesale market price of any article similar to an article of quota cheese, and the duty-paid wholesale price of any article of quota cheese shall be determined under regulations prescribed by the Secretary not later than January 1, 1980, in accordance with chapter 5 of title 5 of the United States Code.

5 USC 500 *et. seq.*

Appendix 2:

IMPORT CONTROLS UNDER SECTION 22
OF THE AGRICULTURAL ADJUSTMENT
ACT, AS AMENDED

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
DAIRY, LIVESTOCK AND POULTRY DIVISION
DAIRY AND IMPORT GROUP
FEBRUARY 1981

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I. SUMMARY - SECTION 22

- A. AUTHORITY. Section 22 was originally added to the Agricultural Adjustment Act of 1933 by the Act of August 24, 1935. It has been admended several times and was revised in its entirety by Section 3 of the Agricultural Act of 1948, and again by Section 3 of the Act of June 28, 1950. It was further amended by Sections 8(b) and 104 of the Trade Agreements Extension Acts of 1951 and 1953, respectively.

Section 22 directs the Secretary of Agriculture to advise the President whenever he has reason to believe that any article or articles are being imported under such conditions and in such quantities as to render or tend to render ineffective or materially interfere with any price support or stabilization program, relating to agricultural commodities, undertaken by the Department of Agriculture, or reduced substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken.

If the President agrees there is reason for such belief, he directs the U.S. International Trade Commission 1/ to conduct an investigation, including a public hearing, and to submit a report to him of its findings and recommendations. The President is authorized, based on such findings, to impose such fees or quotas in addition to the basic duty as he shall determine necessary. The additional fees may not exceed 50 percent ad valorem and the quotas proclaimed may not be less than 50 percent of the quantity imported during a previous representative period, as determined by the President.

Furthermore, the President may designate the affected article or articles by physical qualities, value, use, or upon such other basis as he shall determine.

Whenever the Secretary of Agriculture reports to the President that a condition exists requiring emergency treatment, the President may take action without awaiting the report of the U.S. International Trade Commission. Any such action by the President shall continue in effect pending the report and recommendations of the U.S. International Trade Commission and action thereon by the President.

No trade agreement or other international agreement entered into at any time by the United States may be applied in a manner inconsistent with the requirements of Section 22.

1/ Formerly U.S. Tariff Commission; name was changed by the Trade Act of 1974, (PL 93-618).

2/ The Trade Act of 1979 (PL 96-39) especially restricts the President from emergency action prior to January 1, 1983 to expand the cheese quotas beyond a statutory limit of 111,000 MT unless the Secretary can report that "extraordinary circumstances" warrant such action.

- B. Commodities Affected. Since Section 22 was enacted, import controls have been imposed with respect to twelve different commodities or groups of commodities. These include, (1) wheat and wheat flour; (2) rye, rye flour and rye meal; (3) barley, hulled or unhulled, including rolled, ground and barley malt; (4) oats, hulled or unhulled and unhulled ground oats; (5) cotton, certain cotton wastes and cotton products; (6) specified dairy products; (7) shelled almonds; (8) shelled filberts; (9) peanuts and peanut oil; (10) tung nuts and tung oil; (11) flaxseed and linseed oil; and (12) sugars and sirups. All or a part of ten of these commodities or groups of commodities have been removed from import controls.

II. Commodities Previously Under Control

The commodities previously under control, by type of control and effective dates, are as follows:

<u>COMMODITY</u>	<u>TYPE OF CONTROL</u>	<u>EFFECTIVE DATES</u>
(1) harsh or rough cotton less than 3/4 in staple length.	70 million pound quota	Sept. 20, 1946- Jan. 28, 1958
(2) card strips made from cotton 1-3/16 inches or more in length	quota <u>1/</u>	Sept. 20, 1939- Mar. 31, 1942
(3) barley, hulled or unhulled, including rolled barley, ground barley and barley malt	27.5 million bushel quota	Oct. 1, 1954- Sept. 30, 1955
(4) oats, hulled or unhulled and unhulled ground oats	40 million bushel quota	Oct. 1, 1954- Sept. 30, 1955
(5) shelled almonds, and blanched, roasted, or otherwise prepared or preserved almonds (not including almond paste)	fee <u>2/</u> fee <u>2/</u>	Oct. 1, 1951- Sept. 30, 1955 Oct. 23, 1957- Sept. 30, 1958

1/ Formerly part of 5,482,509 pound quota on cotton waste.
2/ Oct. 1, 1951 - Sept. 30, 1952, 10 cents per pound on imports in excess of 4.5 million pounds.
 Oct. 1, 1952 - Sept. 30, 1954, 5 cents per pound on imports up to 7 million pounds and 10 cents per pound thereafter for each 12 month period. Oct. 1, 1954 - Sept. 30, 1955, and Oct 1, 1957 - Sept. 30, 1958, 10 cents per pound on imports in excess of 5 million pounds.

<u>COMMODITY</u>	<u>TYPE OF CONTROL</u>	<u>EFFECTIVE DATES</u>
(6) shelled filberts, whether or not blanched	4.5 million pound quota fee <u>1</u> /	Oct. 1, 1952- Sept. 30, 1953 Oct. 1, 1954- Sept. 30, 1955
(7) peanut oil	fee <u>2</u> /	July 1, 1953- May 5, 1961
(8) tung nuts and tung oil a. tung oil b. tung nuts (oil equivalent)	26 million pound quota	Sept. 9, 1957- May 2, 1962 April 28, 1958- May 2, 1962
(9) flaxseed and linseed oil	fee <u>3</u> /	July 1, 1953- May 5, 1961
(10) rye, rye flour and rye meal	186 million pound quota <u>4</u> /	April 1, 1954- June 30, 1961
(11) wheat and wheat flour <u>5</u> / a. wheat b. wheat flour	800,000 bushel quota 4 million pound quota	May 29, 1941- June 30, 1974

III. Commodities Currently Under Control

The Section 22 import quotas and fees currently in force and the exclusions from quota controls are listed below. These quotas are provided for in Part 3 of the Appendix to the Tariff Schedules of the United States (TSUS). For ease of reference, the applicable TSUS Appendix item number is shown for each quota.

The existence of quota controls does not relieve the importer from compliance with all applicable laws and regulations, including payment of existing duties and taxes.

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- 1/ 10 cents per pound on imports in excess of 6 million pounds - modified on July 15, 1955, to permit an additional 1.5 million pounds without fee.
- 2/ 25 percent ad valorem on imports in excess of 80 million pounds.
- 3/ 50 percent ad valorem.
- 4/ 31 million pound quota from April 1 - June 30, 1954.
- 5/ Presidential Proclamation No. 4260 of January 25, 1974, temporarily suspended quotas; such suspension was continued indefinitely by Presidential Proclamation No. 4298 of June 25, 1974.

A. Exclusions for Commodities Currently Under Section 22 Import Control. Section 22 Import controls for the commodities listed below do not apply with respect to the following:

- (1) Articles imported by or for the account of any agency of the United States.
- (2) Commercial samples of cotton or cotton waste of any origin in uncompressed packages each weighing not more than 50 pounds gross weight; and articles (except cotton and cotton waste) with an aggregate value not over \$25 in any shipment, if imported as samples for taking orders, for the personal use of the importer, or for research.
- (3) Articles entered for exhibition, display, or sampling at a trade fair or for research; however, such articles may be entered only if written approval of the Secretary of Agriculture or his designated representative is presented at the time of entry.
- (4) Cotton produced in the United States with respect to which the Secretary of Agriculture shall have certified that there has been exported without benefit of subsidy, as an offset to the proposed reentry, an equal or greater number of pounds of cotton produced in the United States, of any grade or staple.
- (5) Sugar imported for the production (other than by distillation) of polyhydric alcohols for inedible uses.

Requests for the required written approval or certification of the Secretary of Agriculture under paragraphs (3) and (4), above, should be addressed to the Dairy and Import Group, Foreign Agricultural Service, United States Department of Agriculture, Washington, D.C. 20250.

B. Specified Dairy Products. All dairy products subject to quota are listed in this section. Subsection 1 lists those products administered by licensing by the U.S. Department of Agriculture and subsection 2 lists those products administered on an unlicensed, first-come, first-served basis by the U.S. Customs Service.

Numerous changes have occurred in the quotas for specified dairy products. For convenient reference, these are listed and summarized in chronological order in Appendix II.

Significant Changes in Cheese Quotas in 1980

During the Tokyo Round of the Multilateral Trade Negotiations (MTN) the U.S. Government agreed to an expansion in its cheese import quotas beginning January 1, 1980. However, as part of the agreement to the increase in quotas, the U.S. imposed absolute import quotas on cheeses that were not previously covered by quota restrictions, i.e., "Pricebreak" cheeses that entered quota free if priced at or above the per pound CCC purchase price for Grade A Cheddar in 40 pound

blocks plus 7 cents. All cow's milk cheeses (except soft-ripened and certain specialty cheeses) are now under quota. This action places about 85 percent of all imported cheese under quota. The maximum allowable cheese import quota established by Section 701 of the Trade Agreements Act of 1979, P.L. 96-39 (which implements the MTN agreements) for any calendar year is 111,000 metric tons.

(1) Dairy Product Quotas Administered by U.S.D.A.

The import quotas listed in this subsection are administered by licensing by the Dairy, Livestock and Poultry Division, Foreign Agricultural Service, United States Department of Agriculture, Washington, D.C. 20250. The quota for each commodity is prorated among eligible licensees under provisions of Import Regulation I, as revised and amended. Quota shares of supplying countries are shown in all cases where the establishing Presidential Proclamation specified such shares. For the other quotas listed in this subsection, supplying country quota shares are derived from import records, generally on the basis of importations of eligible importers during a designated representative period.

TSUS APPENDIX ITEM NUMBER	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Jan. 1 - Dec. 31 (pounds)
	Average Annual Imports (pounds)	Represent- ative period	
950.01 Dried Buttermilk and Whey	991,283	(1948-50)	<u>496,000</u>
950.02 Dried Skimmed Milk	3,613,279	(1948-50)	<u>1,807,000</u>
950.03 Dried Whole Milk	13,055	(1948-50)	<u>7,000</u>
950.04 Dried Cream	Less Than 500	(1948-50)	<u>500</u>
950.05 Butter	1,411,525	(1930-34)	<u>707,000</u>

Subdivided as follows:

New Zealand.....	332,000
European Economic Community.....	212,000
Other Countries.....	163,000

950.07 Blue-mold cheese (except Stilton produced in the United Kingdom) and cheese and substitutes for cheese containing, or processed from Blue-mold cheese	2,066,000	(1948-50)	<u>5,469,614</u>
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Subdivided as follows:

European Economic Community.....	5,465,203
Argentina.....	4,409
Other.....	2

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Jan. 1-Dec. 31 (pounds)
		Average Annual Imports (pounds)	Representative Period(s)	
950.08A	Cheddar cheese, and cheese and substitutes for cheese containing, or processed from Cheddar cheese	5,490,262	(1961-65)	<u>10,367,988</u>
	<u>Subdivided as follows:</u>			
	European Economic Community.....			579,809
	Australia.....			2,645,520
	New Zealand.....			6,834,260
	Other Countries.....			308,399
950.08B	American-type cheese including Colby, washed curd, and granular cheese (but not including Cheddar) and cheese and substitutes for cheese containing, or processed from, such American-type cheese	12,193,200	(1961-65)	<u>7,545,366</u>
	<u>Subdivided as follows:</u>			
	Australia.....			2,204,600
	European Economic Community.....			559,968
	New Zealand.....			4,409,200
	Other Countries.....			371,598
950.09A	Edam and Gouda cheese	1,831,085	(1948-50)	<u>9,208,615</u>
	<u>Subdivided as follows:</u>			
	European Economic Community.....			8,842,650
	Sweden.....			90,388
	Argentina.....			275,575
	Other Countries.....			2
950.09B	Cheese and substitutes for cheese containing, or processed from, Edam and Gouda cheese	2,729,591	(1965-67)	<u>3,151,257</u>
	<u>Subdivided as follows:</u>			
	European Economic Community.....			2,727,090
	Norway.....			368,168
	Other Countries.....			55,999

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Jan. 1-Dec. 31 (pounds)
		Average	Representative	
		Annual	tative	
		Imports (pounds)	Period(s)	

Italian-type cheeses, made from cow's milk (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, and Sbrinz):

950.10	In original loaves	8,121,987	(1948-50)	<u>12,374,421</u>
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Subdivided as follows:

European Economic Community.....	3,886,709
Argentina.....	8,487,710
Other Countries.....	2

950.10A	Not in original loaves and cheese and substitutes for cheese containing, or processed from, such Italian-type cheeses whether or not in original loaves	680,437	(1965-67)	<u>1,549,971</u>
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Subdivided as follows:

European Economic Community.....	103,616
Argentina.....	1,417,557
Other Countries.....	28,798

950.10B	Swiss or Emmenthaler cheese with eye formation	70,278,140		<u>70,278,140</u>
		6,904,833 1/	(1967)	(4,271,000)
		16,149,000 2/	(1970)	(16,149,000)
		52,214,637 3/	(1978-79)	(49,858,140)

Subdivided as follows:

European Economic Community.....	13,277,600
Austria.....	13,844,888
Iceland.....	661,380
Finland.....	18,077,720
Norway.....	15,174,261
Switzerland.....	7,561,778
Australia.....	1,102,300
Canada.....	154,322
Israel.....	59,524
Argentina.....	176,368
Other Countries.....	187,999

1/ Amount extrapolated from Census data as being under 47 cents per pound f.o.b. country of origin.

2/ Amount extrapolated from Census data as being 47 up to 62 cents per pound f.o.b. country of origin.

3/ Amount calculated from Customs documents as being above the pricebreak during the period July 1, 1978 - June 30, 1979.

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Jan. 1-Dec. 31 (pounds)
		Average Annual Imports (pounds)	Representative Period(s)	
950.10C	Swiss or Emmenthaler cheese other than with eye formation Gruyere-process cheese and cheese and substitutes for cheese, containing or pro- cessed from, such cheeses			<u>16,479,016</u>
		6,277,362 <u>1/</u>	(1967)	(3,289,000)
		7,953,000 <u>2/</u>	(1970)	(7,953,000)
		7,423,978 <u>3/</u>	(1978-79)	(5,237,016)
	<u>Subdivided as follows:</u>			
	European Economic Community.....			7,716,100
	Austria.....			2,028,232
	Finland.....			2,204,600
	Switzerland.....			4,078,510
	Portugal.....			275,575
	Other Countries.....			175,999
950.10D	Cheese and substitutes for cheese provided for in item 117.75 or 117.88, part 4C, Schedule 1 of the Tariff Schedules of the United States (except cheese not containing cow's milk and soft ripened cow's milk cheese); cheese, (except cottage cheese) con- taining 0.5 percent or less by weight of butterfat, and articles within the scope of other import quotas provided for in this part)			<u>89,466,763</u>
		17,617,700 <u>1/</u>	(1967)	(25,090,000)
		15,640,000 <u>2/</u>	(1970)	(15,640,000)
		24,570,676 <u>3/</u>	(1978-79)	(48,736,763)
	<u>Subdivided as follows:</u>			
	European Community.....			44,092,000
	Finland.....			2,865,980
	Iceland.....			712,085
	Norway.....			330,690
	Poland.....			2,063,999
	Sweden.....			2,334,671
	Switzerland.....			2,689,612
	New Zealand.....			24,960,481
	Canada.....			2,515,448
	Portugal.....			1,005,297
	Austria.....			1,432,990
	Israel.....			1,483,695 <u>4/</u>
	Argentina.....			220,460
	Australia.....			2,314,830
	Other Countries.....			444,525

1/ Amount extrapolated from Census data as being under 47 cents per pound f.o.b. country of origin. 2/ Amount extrapolated from Census data as being 47 up to 62 cents per pound f.o.b. country of origin. 3/ Amount calculated from Customs documents as being above the pricebreak during the period July 1, 1978 - June 30, 1979. 4/ No more than 352,736 of which shall contain more than 3 percent by weight of butterfat.

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Jan. 1-Dec. 3 (pounds)
		Average	Representative	
		Annual	Period(s)	
		Imports (pounds)		
950.10E	Cheese, and substitutes for cheese, containing 0.5 percent or less by weight of butterfat as provided for in item 117.75 or 117.88, part 4C, Schedule 1 of the Tariff Schedules of the United States (except articles within the scope of other import quotas provided for in this part)			
				<u>12,621,131</u>
		993,074 $\frac{1}{2}$	(1967-69)	(8,901,000)
		615,623 $\frac{2}{2}$	(1978-79)	(3,720,131)
<u>Subdivided as follows:</u>				
	European Economic Community.....			8,818,400
	Poland.....			385,599
	Australia.....			551,150
	Other Countries.....			2
	New Zealand.....			2,204,600
	Sweden.....			551,150
	Israel.....			110,230
950.11	Malted Milk, and articles of milk or cream provided for in item 118.30, part 4D, Schedule 1.....			
		11,418	(1948-50)	<u>6,000</u>

1/ Amount extrapolated from Census data as being under 47 cents per pound f.o.b. country of origin.

2/ Amount calculated from Customs documents as being above the pricebreak during the period July 1, 1978 - June 30, 1979.

(2) Dairy Product Quotas Administered by U.S. Customs Service

The following quotas are administered by the U.S. Customs Service, United States Department of Treasury, on an unlicensed, first-come, first-served basis. Supplying country quota shares are shown as provided for in the establishing Presidential Proclamations.

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Jan. 1-Dec. 31 (pounds)
		Average Annual Imports (pounds)	Representative Period(s)	
949.80	Milk and cream, fluid or frozen, fresh or sour, containing over 5.5 percent but not over 45 percent by weight of butterfat	962,200	(1962-66)	
		gals.		
	New Zealand.....			1,500,000 gals.
	Other.....			None
949.90	Milk and cream, condensed or evaporated, classifiable for tariff purposes under items 115.30, 115.35 and 115.40:			
	Evaporated in airtight containers	1,312,000	(1967)	<u>1,312,000</u>
	Other	None		<u>None</u>
	<u>Subdivided as follows:</u>	<u>In Airtight Containers</u>		<u>Other</u>
	Canada.....	70,000		—
	Denmark.....	11,000		—
	Netherlands.....	1,209,000		—
	West Germany.....	22,000		—
	Condensed in airtight containers	4,074,000	(1967)	<u>4,074,000</u>
	Other	5,000	(1967)	<u>5,000</u>
	<u>Subdivided as follows:</u>	<u>In Airtight Containers</u>		<u>Other</u>
	Australia.....	202,000		—
	Canada.....	2,192,000		5,000
	Denmark.....	1,334,000		—
	Netherlands.....	338,000		—
	Other Countries.....	8,000		

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Jan. 1-Dec. 3 (pounds)
		Average Annual Imports (pounds)	Representative Period(s)	
950.06	Butter substitutes containing over 45 percent of butterfat provided for in item 116.30, part 4B, schedule 1, of the Tariff Schedules of the United States, and butter oil, however provided for elsewhere in the Tariff Schedules	1,750,027	(1956)	<u>1,200,000</u>
950.08A	Natural Cheddar cheese, the product of Canada, made from unpasteurized milk and aged not less than 9 months which prior to exportation has been certified to meet such requirements by an official of the Canadian Government	None		<u>1,837,351</u>
950.15	Chocolate provided for in item 156.30, part 10, schedule 1 of the Tariff Schedules of the United States if containing over 5.5 percent by weight of butterfat (except articles for consumption at retail as candy or confection)	10,002,165	(1965-67) (1978-79)	<u>21,409,202</u> <u>17,000,000</u> 4,409,202
	<u>Subdivided as follows:</u>			
	Ireland.....			9,450,000
	United Kingdom.....			7,450,000
	Netherlands.....			100,000
	Australia.....			4,409,000
	New Zealand.....			2
950.16	Chocolate provided for in item 156.30, part 10 and articles containing chocolate provided for in item 183.00, part 15, schedule 1, containing 5.5 percent or less by weight of butterfat (except articles for consumption at retail as candy or confection)	159,500	(1967-69)	<u>4,680,002</u>
	<u>Subdivided as follows:</u>			
	Ireland.....			3,750,000
	United Kingdom.....			930,000
	New Zealand.....			2
950.17	Animal feeds containing milk or milk derivatives, classified under 184.75, part 15c, schedule 1, of the Tariff Schedules of the United States	4,129,533	(1967-69)	<u>16,300,000</u>
	<u>Subdivided as follows:</u>			
	Ireland.....			12,060,000
	United Kingdom.....			185,000
	New Zealand.....			3,930,000
	Australia.....			125,000

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Jan. 1-Dec. 3 (pounds)
		Average Annual Imports (pounds)	Represen- tative Period(s)	
950.18	Ice Cream, as provided for in item 118.25 of part 4D, schedule 1 of the Tariff Schedules of the United States	862,642 gals.	(1967-69)	<u>431,330</u> gals.
	Subdivided as follows:			
	Belgium.....			243,650 gals.
	New Zealand.....			155,680 gals.
	Denmark.....			3,450 gals.
	Netherlands.....			27,600 gals.
	Jamaica.....			950 gals.
950.19	Dried milk (described in items 115.45, 115.50, 115.55, and 118.05) which contains not over 5.5 percent by weight of butterfat and which is mixed with other ingredients, including but not limited to sugar, if such mixtures contain over 16 percent milk solids by weight, are capable of being further processed or mixed with similar or other ingredients and are not prepared for marketing to the retail consumers in the identical form and package in which imported; all the foregoing mixtures provided for in items 183.00 and 493.14, except articles within the scope of other import restrictions provided for in part 3 of the Appendix to the Tariff Schedules of the United States.....			None
	Articles containing over 5.5 percent by weight of butterfat, the butterfat of which is commercially extractable, or which are capable of being used for any edible purpose (except articles provided for in subpart A, B, C, or item 118.30, of part 4, schedule 1, and except articles which are not suitable for use as ingredients in the commercial production of edible articles):			
950.22	Over 45 percent by weight of butterfat		None	None
950.23	Over 5.5 percent but not over 45 percent by weight of butterfat and classifiable for tariff purposes under item 182.92 or 183.00 part 15B, schedule 1 of the Tariff Schedules of the United States	2,122,400	(1961-65)	<u>2,580,000</u>
	Subdivided as follows:			
	Australia.....			2,240,000
	Belgium & Denmark (aggregate).....			340,000
	Other.....			None

C. Peanuts. An annual global import quota of 1,709,000 pounds (shelled basis) was instituted July 1, 1953. The quota is administered by the U.S. Customs Service, United States Department of Treasury, on an unlicensed, first-come, first-served basis.

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Aug. 1 - July 31 (pounds)
		Average	Representative	
		Annual	Period(s)	
		Imports (pounds)		
951.00	Peanuts: whether shelled, not shelled, blanched, salted, prepared or pre-served (including roasted peanuts but not including peanut butter)	3,417,812	(1936-39)	<u>1,709,000</u> (peanuts in the shell charged against this quota on basis of 75 lbs. for each 100 lbs. of in-shell peanuts)
950.01	Notwithstanding the quantitative limitation on the importation of peanuts described in item 950.00, an additional quantity of such peanuts, within the scope of such quota, may be entered during the period December 4, 1980 through June 30, 1981. (Certain certificates attesting to quality, size, wholesomeness, etc. are required. See part 3 of the Appendix to the TSUS).			<u>200,000,000</u> (peanuts in the shell charged against this quota on basis of 75 lbs. for each 100 lbs. of in-shell peanuts)

D. Cotton, Certain Cotton Waste and Cotton Products. Annual import quotas are administered on an unlicensed, first-come, first-served basis by the U.S. Customs Service, United States Department of the Treasury.

Country quotas on long staple and short staple cotton and on cotton waste were imposed on September 20, 1939. Cotton having a staple length of 1-11/16 inches or more was removed from the long staple cotton quota on December 19, 1940, but was again included effective August 1, 1958, at which time this quota was subdivided on the basis of staple length. The country quota on long staple cotton was changed to a global quota on July 29, 1942. The global quota on certain cotton products became effective on September 11, 1961.

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Sept. 20 - Sept. 19 (pounds)
		Average Annual Imports (pounds)	Representative Period(s)	
955.01	Short staple cotton (less than 1-1/8 inches)	15,504,403	(July 1, 1928- June 30, 1933)	<u>14,516,193</u>
<u>Country quotas as follows:</u>				
	Egypt and the Sudan (aggregate).....			783,816
	Peru.....			247,952
	India and Pakistan (aggregate).....			2,003,483
	China (Taiwan).....			1,370,791
	Mexico.....			8,883,259
	Brazil.....			618,723
	U.S.S.R.....			475,124
	Argentina.....			5,203
	Haiti.....			237
	Ecuador.....			9,333
	Honduras.....			752
	Paraguay.....			871
	Columbia.....			124
	Iraq.....			195
	Countries comprising former British East Africa (aggregate).....			2,240
	Indonesia.....			71,388
	British West Indies (other than Barbados, Bermuda, Jamaica, Trinidad and Tobago).....			21,321
	Countries comprising former British West Africa (other than Ghana and Nigeria) (aggregate).....			16,004
	Nigeria.....			5,377

TSUS APPENDIX ITEM NUMBER	COMMODITY	BASIS OF QUOTA		ANNUAL IMPORT QUOTA Aug. 1 - July 31 (pounds)
		Average Annual Imports (pounds)	Representative Period(s)	
	Long staple cotton (1-1/8 inches or longer)	68,085,885	(July 1, 1928- June 30, 1933)	<u>45,656,420</u>
955.02	Harsh or rough cotton (except cotton of perished staple, grabbots and cotton picking) white in color and having a length of 1-5/32 inches or more but under 1-3/8 inches			1,500,000
955.03	Cotton with a staple length 1-1/8 inches or more but under 1-3/8 inches (excludes cotton provided for under 955.02)			4,565,642
955.04	Cotton with a staple length 1-3/8 inches or more			39,590,778
955.05	Cotton waste (card strips made from cotton under 1-3/16 inches comber waste, lap waste, sliver waste, roving waste) <u>1/</u>		(July 1, 1928- June 30, 1933)	<u>5,482,509</u>
<u>Country quotas as follows:</u>				
	United Kingdom.....			4,323,457 <u>2/</u>
	Canada.....			239,690
	France.....			227,420 <u>2/</u>
	India and Pakistan (aggregate).....			69,627
	Netherlands.....			68,240 <u>2/</u>
	Switzerland.....			44,388 <u>2/</u>
	Belgium.....			38,559 <u>2/</u>
	Japan.....			341,535
	China (Taiwan).....			17,322
	Egypt.....			8,135
	Cuba.....			6,544
	Germany.....			76,329 <u>2/</u>
	Italy.....			21,263 <u>2/</u>

1/ The annual average imports of 23,173,884 pounds of various types of cotton wastes during the representative period included receipts of waste types which were not put under quota. Data for all specific types of waste are not available.

2/ Not more than 33-1/3 percent shall be filled by cotton wastes other than comber waste made from cotton to 1-3/16 inches or more in staple length in the case of United Kingdom, France, the Netherlands, Switzerland, Belgium, Germany and Italy.

TSUS
APPENDIX

ITEM
NUMBER

COMMODITY

BASIS OF QUOTA

Average
Annual
Imports
(pounds)

Representative
Period(s)

ANNUAL IMPORT

QUOTA

Sept. 11 - Sept. 20
(pounds)

955.06

Cotton products produced
in any stage preceding the
spinning into yarn (except
cotton wastes)

1/

(Jan. 1, 1940-
Dec. 31, 1953)

1,000

1/ The exact quantity is unknown but adjudged to have been less than 1,000 pounds. See Tariff Commission Report to the President on "Certain Cotton Products," Tariff Commission Publication 31, of September 1961.

E. Sugars and Sirups. Import fees are applicable to all imports except those entered for the production (other than by distillation) of polyhydric alcohols for inedible uses. Such fee-exempt imports are administered by licensing by the Horticultural and Tropical Products Division, Foreign Agricultural Service, United States Department of Agriculture, Washington, D.C. 20250. All other imports are administered on an unlicensed basis by the U.S. Customs Service, United States Department of Treasury.

Import fees were originally established on November 11, 1977. They were changed on January 20, 1978. On December 28, 1978, fixed import fees were replaced by a flexible fee system which continues in effect. The fees are determined quarterly by the Secretary of Agriculture in accordance with a formula specified in the establishing Presidential Proclamation (No. 4631) and are announced not later than the 25th day of the month preceding the calendar quarter in which the fees are to be effective. The fees are intended to maintain the internal market price for raw sugar at not less than 15 cents per pound and represent the difference between the sum of the average spot (world) price quotations in a specified base period plus the applicable duty plus attributed costs of 0.90 cents per pound for freight, insurance, and related charges. If the sum of these factors is 15.0 cents or more, the fee is zero cents. The governing Proclamation also provides for within-quarter fee adjustments if necessitated by relatively sharp changes in world prices. The import fee for refined sugar is fixed in relation to the fee for raw sugar at 0.52 cents per pound above the raw sugar fee. The fee for raw sugar may not in any case be greater than 50 percent of the average of the spot price quotations.

Quarterly import fees become effective at 12:01 a.m. on the first day of the calendar quarter. Within-quarter fee adjustments become effective at 12:01 a.m. on the day following filing by the Secretary of Agriculture of notice thereof with the Federal Register. Within-quarter fee adjustments do not apply to sugar exported on a through bill of lading to the United States from the country of origin before that time.

TSUS
APPENDIX
NUMBER

COMMODITY

BASIS OF FEE
Factors in Representative
Computation Period
(cents per
pound)

Sugars and sirups derived from sugar cane or sugar beets, except those entered pursuant to a license issued by the Secretary of Agriculture:

	Principally of crystalline structure or in dry amorphous form, provided for in item 155.20, part 10A, schedule 1 of the Tariff Schedules of the United States:	Average of daily spot (world) price quotations for raw sugar as reported by the New York Coffee and Sugar Exchange, Caribbean ports, in bulk;	20 consecutive market days preceding the 20th day of the month preceding the calendar quarter; or,
956.05	Not be further refined or improved in quality		Within-quarter adjustments:
956.15	To be further refined or improved in quality	Applicable duty;	Any 10 consecutive market days.
957.15	Not principally of crystalline structure and not in dry amorphous form, containing soluble non-sugar solids (excluding any foreign substance that may have been added or developed in the product) equal to 6% or less by weight of the total soluble solids, provided for in item 155.30, part 10A, schedules 1 of the Tariff Schedules of the United States.	Attributed costs of 0.90 cents for freight, insurance, stevedoring, financing, weighing & sampling	

APPENDIX I

Section 22 of the Agricultural Adjustment Act of 1933, as Reenacted and Amended 1/

(a) Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or Section 32, Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall so advise the President, and, if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the United States Tariff Commission, 2/ which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify. (7 U.S.C. 624(a).)

(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 per centum ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a) of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: Provided, that no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 per centum of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President; And provided further, that in designating any article or articles, the President may describe them by physical qualities, value, use or upon such other bases as he shall determine.

In any case where the Secretary of Agriculture determines and reports to the President with regard to any article or articles that a condition exists requiring emergency treatment, the President may take immediate action under this section, without awaiting the recommendations of the Tariff Commission, 2/ such action to continue in effect pending the report and recommendations of the Tariff Commission and action thereon by the President. (7 U.S.C. 644(b).) 3/

(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of Section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States. (7 U.S.C. 624(c).)

(d) After investigation, report, findings, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section. (7 U.S.C. 642(d).)

(e) Any decision of the President as to facts under this section shall be final. (7 U.S.C. 624(e).)

(f) No trade agreement or other international agreement heretofore or hereafter entered into the United States shall be applied in a manner inconsistent with the requirements of this section. (7 U.S.C. 624(f).) 4/

1/ See also section 202(a) of the Agricultural Act of 1956. Section 22 was added by the Act of August 24, 1935 (49 Stat. 773). As originally enacted, action under this section could be taken only with respect to articles the importation of which was found to be adversely affecting programs or operations under the Agricultural Adjustment Act of 1933. Section 22 has been amended several times and was revised in its entirety by Section 3 of the Agricultural Act of 1948 (62 Stat. 1247) and again by Section 3 of the Act of June 28, 1950 (64 Stat. 261). Regulations governing investigations under this section are set forth in Executive Order 7233, dated November 23, 1935, and in 19 CFR 201, 204.

2/ Name changed to the "United States International Trade Commission" by the Trade Act of 1974 (PL 93-618).

3/ Paragraph added by Section 104 of the Trade Agreements Extension Act of 1953, 67 Stat. 472.

4/ The provisions of this subsection (f) were substituted for earlier provisions of section 8(b) of the Trade Agreements Extension Act of 1951, approved June 16, 1951, 65 Stat. 72, 75.

APPENDIX II

Presidential Proclamations Establishing and/or Amending Section 22 Import Quotas on Dairy Products

<u>Presidential Proclamation Number</u>	<u>Date of Proclamation</u>	<u>TSUS Appendix Item No.</u>	<u>Principal Provisions</u>
3019	June 8, 1953		Established annual quotas for July-June quota years beginning July 1, 1953, for the following commodities:
		950.05	1) <u>Butter</u> - 707,000 pounds
		950.03	2) <u>Dried Whole Milk</u> - 7,000 pounds
		950.01	3) <u>Dried Buttermilk</u> (by similitude include dried whey) - 496,000 pounds
		950.04	4) <u>Dried Cream</u> - 500 pounds
		950.02	5) <u>Dried Skimmed Milk</u> - 1,807,000 pounds
		950.11	6) <u>Malted Milk</u> and compounds or mixtures of, or substitutes for, milk or cream - 6,000 pounds
		950.08A	7) Cheddar cheese, and cheese substitutes for cheese containing or processed from Cheddar cheese - 2,780,100 pounds
		950.09A	8) <u>Edam and Gouda cheese</u> - 4,600,200 pounds
		950.07	9) <u>Blue-Mold</u> (except Stilton) cheese and cheese containing or processed from blue-mold cheese - 4,167,000 pounds
		950.10	10) Italian - type cheese from cow's milk, in original loaves - 9,200,100 pounds
			The Proclamation also provided for periodic allocations (four-month intervals) under certain quotas and exempted government importations from Section 22 controls.
3025	June 30, 1953		Provided that Section 22 controls shall not apply with respect to articles imported (1) as samples for taking orders, or (2) for the personal use of the importer when the aggregate value of such articles in an importation is not over \$10.

APPENDIX II

Presidential Proclamations Establishing and/or Amending Section 22 Import Quotas on Dairy Products

<u>Presidential Proclamation Number</u>	<u>Date of Proclamation</u>	<u>TSUS Appendix Item No.</u>	<u>Principal Provisions</u>
			Provided that the quotas for butter and dried milks shall include any other article dutiable by reason of butterfat content as such articles.
3178	April 15, 1957	950.06	Established a quota for <u>butter substitutes</u> including butteroil containing 45 percent or more of butterfat - 1,800,000 pounds for calendar year 1957 and 1,200,000 pounds for each subsequent calendar year.
3193	August 7, 1957	950.22	Established a zero quota effective August 1, 1957, for <u>articles containing 45 percent or more of butterfat</u> , the butterfat, content of which is commercially extractable (excluding articles, already subject to Section 22 quotas, cheeses, evaporated and condensed milk, and retail packaged edible preparations).
3195	August 17, 1957		Exempted from Section 22 controls articles for exhibition display, or sampling at a trade fair or for research, providing the aggregate quantity of such articles does not exceed 100 pounds net and provided that written approval is obtained from the Department of Agriculture.
3347	May 11, 1960		Increased the quota, effective July 1, 1960, for the following commodities:
		950.09A	1) <u>Edam and Gouda Cheese</u> - doubled the quota from 4,600,200 pounds to 9,200,400.
		950.10	2) <u>Italian-type Cheese</u> , made from cow's milk, in original loaves - increased the quota by 2,300,000 pounds from 9,200,100 pounds to 11,500,100 pounds.
3460	March 29, 1962	950.07	Increased the quota for <u>Blue-mold cheese</u> for the 1961-62 quota year by 283,333 pounds and for each subsequent quota year by 849,999 from 4,167,000 pounds to 5,016,999 pounds.

<u>Presidential Proclamation Number</u>	<u>Date of Proclamation</u>	<u>TSUS Appendix Item No.</u>	<u>Principal Provisions</u>
3558	October 5, 1963		Amended without substantive change the descriptions of certain articles included in TSUS Appendix Item Numbers 950.06, 950.07, and 950.01, respectively, to conform with the August 17, 1963, issuance of the Tariff Schedules of the United States.
3562	November 26, 1963		
3597	July 7, 1964		
3709	March 31, 1966	950.08A	Increased the quota for <u>Cheddar cheese</u> by 926,700 pounds from 2,780,100 pounds to 3,706,800 pounds for the quota year ending June 30, 1966, only.
3790	June 30, 1967	950.01	Effective July 1, 1967, the quotas on dairy products were changed from a fiscal year to a calendar year basis, with semi-annual allocation of products which are allocated periodically.
		950.02	
		950.03	
		950.04	
		950.05	
		950.06	
		950.07	
		950.08A	
		950.09A	
		950.10	
		950.11	
		950.12	
		950.22	
			Established annual quotas for the following commodities:
		949.80	1) <u>Frozen cream from New Zealand</u> - 1,500,000 gallons (Calculated to be equivalent to 12,540,000 pounds)
		950.08B	2) <u>American-type cheese</u> - 6,096,600 pounds
		950.23	3) <u>Articles containing over 5.5 percent but not over 45 percent by weight of butterfat and classified for tariff purposes under item 182.91</u> - 2,580,000 pounds.
		950.08A	Increased the annual quota for <u>Cheddar cheese</u> by 7,257,400 pounds from 2,780,100 to 10,037,500 pounds. Of this amount not less than 1,225,000 pounds must be natural Cheddar cheese made from unpasteurized milk and aged not less than nine months which prior to exportation has been certified to meet such requirements by a government official of the exporting country.

<u>Presidential Proclamation Number</u>	<u>Date of Proclamation</u>	<u>TSUS Appendix Item No.</u>	<u>Principal Provisions</u>
3856	June 10, 1968		Established temporary quotas effective June 11, 1968, for the following commodities:
		949.90	1) <u>Evaporated milk and cream</u> , in airtight containers - 656,000 pounds for the period June 11 through December 31, 1968, and 1,312,000 pounds annually thereafter.
		949.90	2) <u>Condensed milk and cream</u> , in airtight containers - 2,037,000 pounds for the period June 11 through Dec. 31, 1968, and 4,074,000 pounds annually thereafter.
		949.90	3) <u>Condensed milk and cream</u> , not in airtight containers - 2,500 pounds for the period June 11 through Dec. 31, 1968, and 5,000 pounds annually thereafter.
3870	Sept. 24, 1968		Established temporary quotas effective September 24, 1968 for the following commodities:
		950.09B	1) <u>Processed Edam and Gouda cheese</u> - 945,000 pounds for the period Sept. 24 through Dec. 31, 1968, and 2,151,000 pounds annually thereafter.
		950.10B	2) <u>Swiss or Emmenthaler cheese</u> with eye formation 1/ - 1,281,000 pounds for the period Sept. 24 through Dec. 31, 1968, and 4,271,000 pounds annually thereafter.
		950.10C	3) <u>Other than Swiss or Emmenthaler with eye formation commonly referred to as Gruyere-process</u> 1/ - 987,000 pounds for the period Sept. 24 through Dec. 31, 1968, and 3,289,000 pounds annually thereafter.
		950.10D	4) <u>Cheeses and substitutes for cheese containing over 0.5 percent butterfat commonly referred to as "Other cheese, NSPF"</u> 1/ - 5,249,000 pounds for the period Sept. 24 through Dec. 31, 1968, and 17,501,000 pounds annually thereafter.
3884	Jan. 6, 1969		1) Made permanent the temporary annual quotas established under Proclamations 3856 and 3870 except that the annual quota of <u>"Other cheese, NSPF,"</u> was fixed at 25,090,000 pounds rather than 17,501,000.

1/ Subject to a "pricebreak" of 47 cents; only cheese priced less than 47 cents per pounds f.o.b., factory was made subject to quota.

Presidential
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Number

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Appendix
Item No.

Principal Provisions

		950.08A	2) Provided, effective January 1, 1969, that the unlicensed natural Cheddar cheese quota established by Proclamation 3790 be limited to "the product of Canada".
			3) Established effective Jan. 1, 1969, the following new annual quotas:
		950.15	a) <u>Chocolate Crumb</u> containing over 5.5 percent butterfat by weight - 17,000,000 lbs
		950.10A	b) <u>Italian-type cow's milk cheese</u> , made from cow's milk, not in original loaves - 1,494,000 pounds.
4026	Dec. 31, 1970		Established, effective Jan. 1, 1971, the following new annual quotas:
		950.10E	1) <u>Cheese and substitutes for cheese containing 0.5 percent butterfat or less, commonly referred to as "low-fat cheese"</u> 1/ - 8,901,000 pounds.
		950.16	2) <u>Chocolate Crumb</u> containing 5.5 percent butterfat or less - 4,680,000 pounds
		950.17	3) <u>Animal Feeds</u> containing milk or milk derivatives - 16,300,000 pounds.
		950.18	4) <u>Ice Cream</u> - 431,330 gallons. (Calculated to be equivalent to 3,377,000 pounds.)
4138	June 6, 1972		Replaced the fixed 47 cent "pricebreak" with a flexible "pricebreak" figure. The "pricebreak" is the Commodity Credit Corporation purchase price for Cheddar cheese, rounded to the nearest whole cent, plus 7 cents.
			Increased the annual quotas for the "pricebreak" cheese as follows:
		950.10B	1) <u>Emmenthaler cheese</u> by 16,149,000 pounds, from 4,271,000 to 20,420,000 pounds.
		950.10C	2) <u>Gruyere-process cheese</u> by 7,953,000 pounds, from 3,289,000 to 11,242,000 pounds.
		950.10D	3) Other cheese, NSPF, containing more than 0.5 percent butterfat by 15,640,000 pounds, from 25,090,000 to 40,730,000 pounds.

1/ Subject to a "pricebreak" of 47 cents; only cheese priced less than 47 cents per pound f.o.b., factory was made subject to quota.

<u>Presidential Proclamation Number</u>	<u>Date of Proclamation</u>	<u>TSUS Appendix Item No.</u>	<u>Principal Provisions</u>
4177	Dec. 30, 1972	950.02	Temporarily increased the quota for <u>nonfat dry milk</u> by 25 million pounds for the period Dec. 30, 1972, through February 15, 1973.
4213	April 25, 1973	950.07 through 950.10E	Temporarily increased the quota of all <u>cheeses</u> equal to 50 percent of the total annual <u>cheese</u> quotas (approximately 64 million pounds) for the period April 25 through July 31, 1973.
4216	May 10, 1973	950.02	Temporarily increased the quota for <u>nonfat dry milk</u> by 60 million pounds for the period May 10 through June 30, 1973.
4230	July 18, 1973	950.02	Temporarily increased the quota for <u>nonfat dry milk</u> by 80 million pounds for the period July 19 through August 31, 1973.
4238	August 28, 1973	950.02	Temporarily increased the quota for <u>nonfat dry milk</u> by 100 million pounds for the period August 28 through October 31, 1973.
4253	Oct. 30, 1973	950.05 950.06	Temporarily increased the quota for <u>butter</u> by 56 million pounds and for <u>butteroil</u> by 22.6 million pounds for the period November 1 through December 31, 1973.
4258	Jan. 2, 1974	950.08A	Temporarily increased the quota for <u>Cheddar cheese</u> by 100 million pounds for the period January 3 through March 31, 1974.
4274	March 4, 1974	950.02	Temporarily increased the quota for <u>nonfat dry milk</u> by 150 million pounds for the period March 5 through June 30, 1974.
4423	March 26, 1976	950.19	Established an emergency zero quota on <u>dried milk mixtures</u> .
4482	Jan. 19, 1977	950.19	Made permanent the zero quota on <u>dried milk mixtures</u> ; raised the permissible <u>maximum</u> aggregate value of a shipment of a quota item which can enter free of quotas restrictions from \$10 to \$25.

PROCLAMATION 4807
December 4, 1980

Appendix
Item Number

Principal Provisions

951.01 Temporarily increased to quota for peanuts by 200,000,000 pounds for the period December 4, 1980 through June 30, 1981.

PROCLAMATION 4708
December 11, 1979

Appendix
Item Number

Principal Provisions

Proclaimed, effective January 1, 1980:

The Provisions of the Trade Agreements Act of 1979 limiting imports of quota cheese entering the U.S. during any calendar year to 111,000 metric tons, an increase of 53,000 metric tons which covers primarily cheeses previously free of quota.

950.10B Placed cheeses in these categories which could previously
through enter quota-free by virtue of their price (at least 7
950.10E cents above CCC purchase price for Cheddar) under quota.

950.10D Provided that imports of Soft-Ripened Cow's Milk Cheeses
will not be subject to quota or license restrictions.

950.15-16 Provided that imports of Chocolate Crumb will no longer
require a license.

Increased annual quotas as follows:

950.08A 1. Cheddar Cheese by 2,167,839 pounds from 10,037,500
pounds to 12,205,339 pounds.

950.07 2. Blue-mold by 452,615 pounds from 5,016,999 to
5,469,614 pounds.

950.08B 3. American type by 1,488,766 pounds from 6,096,600 to
7,545,366 pounds.

950.09A 4. Edam and Gouda by 8,215 pounds from 9,200,400 to
9,208,615 pounds.

950.09B 5. Processed Edam and Gouda by 257 pounds from 3,151,000
to 3,151,257 pounds.

950.10 6. Italian-type in original loaves by 874,321 pounds from
11,500,100 to 12,374,421 pounds.

- | | |
|---------|--|
| 950.10A | 7. <u>Italian-type</u> not in original loaves by 55,971 pounds from 1,494,000 to 1,549,971 pounds. |
| 950.10B | 8. <u>Swiss or Emmenthaler</u> by 49,858,140 from 20,420,000 to 70,278,140 pounds. |
| 950.10C | 9. <u>Gruyere Process</u> by 4,715,176 from 11,242,000 to 15,597,176 pounds. |
| 950.10D | 10. <u>Other Cheese, NSPF</u> by 49,462,075 from 40,730,000 to 90,192,075 pounds |
| 950.10E | 11. <u>Other Cheese, NSPF Lowfat</u> by 3,720,131 from 8,901,000 to 12,621,131 pounds. |
| 950.15 | 12. <u>Chocolate Crumb</u> by 4,409,202 from 17,000,000 to 21,409,202 pounds. |

PROCLAMATION 4811
December 30, 1980

Appendix
Item Number

Principal Provisions

To make certain adjustments in accordance with trade requirements within the 111,000 metric ton limit provided for in Presidential Proclamation 4708 effective January 1, 1980.

- | | |
|---------|---|
| 950.10C | 1. Increased Gruyere-processed quota for Switzerland by 881,840 pounds from 3,196,670 pounds to 4,078,510 pounds. |
| 950.10D | 2. Decreased Other cheese NSPF quota for Switzerland by 881,840 pounds from 3,571,452 pounds to 2,689,612 pounds. |
| 950.10D | 3. Increased Other cheese NSPF quota for Other Countries by 156,528 pounds from 287,997 pounds to 444,525 pounds. |

Appendix 3: Presidential Proclamation 3019 June 8, 1953

IMPOSING QUOTAS OR FEES ON IMPORTS OF CERTAIN DAIRY AND OTHER PRODUCTS

- - - - -

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

3019

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935, 49 Stat. 773, reenacted by section 1 of the act of June 3, 1937, 50 Stat. 246, and as amended by section 3 of the act of July 3, 1948, 62 Stat. 1248, section 3 of the act of June 28, 1950, 64 Stat. 261, and section 8(b) of the act of June 16, 1951, Public Law 50, 82d Congress (7 U.S.C. 624), the Secretary of Agriculture advised me that he had reason to believe that upon the expiration of section 104 of the Defense Production Act of 1950, as amended, the products included in the lists appended to and made a part of this proclamation are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, programs undertaken by the Department of Agriculture with respect to certain of such articles or with respect to products from which certain of such articles are processed, or to reduce substantially the amount of one or more of such articles processed in the United States from agricultural commodities with respect to which a program of the Department of Agriculture is being undertaken;

WHEREAS, having agreed with the Secretary of Agriculture's reason for such belief, I caused the United States Tariff Commission to make an investigation under the said section 22 with respect to the said articles;

WHEREAS, the said Tariff Commission has made such an investigation and has reported to me its findings and recommendations made in connection therewith;

WHEREAS, on the basis of the said investigation and report of the Tariff Commission, I find that in the event section 104 of the Defense Production Act of 1950, as amended, expires under its present terms, the articles included in the lists appended to and made a part of this proclamation are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, programs or operations undertaken by the Department of Agriculture or agencies operating under its direction, pursuant to sections 101, 201, 301, and 401 of the Agricultural Act of 1949, as amended, and Part VI of Title III of the Agricultural Adjustment Act of 1938, as amended, with respect to certain of such articles or with respect to products from which certain of such articles are processed, or to reduce substantially the amount of certain of such articles processed in the United States from agricultural commodities with respect to which the said programs or operations of the United States Department of Agriculture are being undertaken; and

WHEREAS I find and declare that in the event section 104 of the Defense Production Act of 1950, as amended, expires under its present terms, the imposition of the fees and quantitative limitations hereinafter proclaimed is shown by such investigation of the Tariff Commission to be necessary in order that the entry, or withdrawal from warehouse, for consumption of such articles will not render or tend to render ineffective, or materially interfere with, the said programs or operations, or reduce substantially the amount of products processed in the United States from agricultural commodities with respect to which certain of the said programs or operations are being undertaken:

more

(OVER)

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, as amended, do hereby proclaim that on and after July 1, 1953, articles included in the lists appended to and hereby made a part of this proclamation shall be subject to quantitative limitations and fees, as follows:

1. Articles included in Lists I and II (except peanuts) shall be permitted to be entered only by or for the account of a person or firm to whom a license has been issued by or under the authority of the Secretary of Agriculture, and only in accordance with the terms of such license. Such licenses shall be issued under regulations of the Secretary of Agriculture which he determines will, to the fullest extent practicable, result in (1) the equitable distribution of the respective quotas for such articles among importers or users and (2) the allocation of shares of the respective quotas for such articles among supplying countries, based upon the proportion supplied by such countries during previous representative periods, taking due account of any special factors which may have affected or may be affecting the trade in the articles concerned. No licenses shall be issued which will permit any such articles to be entered during any 12-month period beginning July 1 in excess of the respective quantities specified for such articles in Lists I and II and, in the case of articles included in List II, during the first 4 months and the first 8 months of any such 12-month period in excess of one-third and two-thirds, respectively, of such specified quantities.

2. No peanuts included in List II shall be entered during any 12-month period beginning July 1 in excess of the quantity specified for such peanuts in the said List II.

3. Articles included in List III shall, when entered, be subject to the fees respectively specified therefor in the said List III.

I hereby determine that the periods specified in the said report of the Tariff Commission for the purpose of the first proviso to section 22(b) of the Agricultural Adjustment Act, as amended, are representative periods for such purpose.

The provisions of this proclamation shall not apply to articles imported by or for the account of any department or agency of the Government of the United States.

As used in this proclamation, the word "entered" means "entered, or withdrawn from warehouse, for consumption".

This proclamation shall be without force and effect if section 104 of the Defense Production Act of 1950, as amended, is extended beyond June 30, 1953.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this eighth day of June
in the year of our Lord
nineteen hundred and fifty-three,
(SEAL) and of the Independence of the
United States of America the
one hundred and seventy-seventh.

By the President:

DWIGHT D. EISENHOWER

JOHN FOSTER DULLES

Secretary of State.

more

<u>Article</u>	<u>LIST I</u>	<u>Quantity</u>
Butter		707,000 pounds
Dried whole milk		7,000 pounds
Dried buttermilk		496,000 pounds
Dried cream		500 pounds
Dried skimmed milk		1,807,000 pounds
MalTED milk, and compounds or mixtures of or substitutes for milk or cream		6,000 pounds (aggregate quantity)

LIST II

<u>Article</u>	<u>Quantity</u>
Cheddar cheese, and cheese and substitutes for cheese containing, or processed from, Cheddar cheese	2,780,100 pounds (aggregate quantity)
Edam and Gouda cheese	4,600,200 pounds (aggregate quantity)
Blue-mold (except Stilton) cheese, and cheese and substitutes for cheese con- taining, or processed from, blue-mold cheese	4,167,000 pounds (aggregate quantity)
Italian-type cheeses, made from cow's milk, in original loaves (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, and Sbrinz) . . .	9,200,100 pounds (aggregate quantity)
Peanuts, whether shelled, not shelled, blanched, salted, prepared, or pre- served (including roasted peanuts, but not including peanut butter)	1,709,000 pounds (aggregate quantity): <u>Provided</u> , that peanuts in the shell shall be charged against this quota on the basis of 75 pounds for each 100 pounds of peanuts in the shell.

LIST III

<u>Article</u>	<u>Fee</u>
Peanut oil	25% ad valorem on peanut oil entered, or withdrawn from warehouse, for con- sumption during any 12- month period beginning July 1 in excess of 80,000,000 pounds.
Flaxseed (except flaxseed approved for planting pursuant to the Federal Seed Act)	50% ad valorem
Linseed oil, and combinations and mix- tures in chief value of such oil	50% ad valorem

TITLE 3 -- THE PRESIDENT
PROCLAMATION 3025

Quota Limitations on Imports of Certain Dairy and Other Products

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935, 49 Stat. 773, reenacted by section 1 of the act of June 3, 1937, 50 Stat. 246, and amended by section 3 of the act of July 3, 1948, 62 Stat. 1248, section 3 of the act of June 28, 1950, 64 Stat. 261, and section 8 (b) of the act of June 16, 1951, Public Law 50, 82d Congress (7 U.S.C. 624), I issued a proclamation on June 8, 1953, providing that in the event of the expiration on June 30, 1953, of section 104 of the Defense Production Act of 1950, as amended, the products specified in Lists I, II, and III appended to, and made a part of, my proclamation shall, on entry on and after July 1, 1953, be subject to the quantitative limitations and fees set forth in such lists; and

WHEREAS, it now appears that the said proclamation is unduly restrictive in certain respects; and

WHEREAS, it also appears that the terms of the said proclamation do not specifically state that certain dairy products are to be covered by one or another description in List I according to the percentage content of butterfat which determines the rate of duty applicable under the Tariff Act of 1930:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby find and declare that the release on and after July 1, 1953, of those products specified in Lists I and II under the conditions herein prescribed will not render, or tend to render, ineffective or materially interfere with any program or operation of the Department of Agriculture referred to in the said proclamation of June 8, 1953, nor reduce substantially the amount of products processed in the United States from agricultural commodities with respect to which any of such programs or operations are being undertaken. Accordingly, pursuant to the aforesaid section 22, I hereby proclaim that the provisions of the said proclamation of June 8, 1953, shall not apply with respect to articles specified in Lists I and II which may be imported as samples for taking orders for merchandise, or for the personal use of the importer (including articles for disposition by the importer as bona fide gifts), when the aggregate value of such articles in any importation is not over \$10. I hereby further find and declare that a clarifying statement should be added as a footnote to List I in order that the provisions of my original proclamation may be fully understood, and, accordingly, I hereby proclaim that there shall be added as a footnote to List I this statement: "Each enumeration of an article in this list shall include any other article dutiable under the Tariff Act of 1930 as such enumerated article by reason of butterfat content."

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this 30th day of June in the year of our Lord nineteen hundred and fifty-three and of the Independence of the United (SEAL) States of America the one hundred and seventy-seventh.

DWIGHT D. EISENHOWER

By the President:

JOHN FOSTER DULLES
Secretary of State

Federal Register

Vol. 44, No. 241

Thursday, December 13, 1979

Presidential Documents

Title 3—

The President

Proclamation 4708 of December 11, 1979

Import Limitations on Certain Cheese and Chocolate Crumb

By the President of the United States of America

A Proclamation

Import limitations have been imposed on certain dairy products, including certain cheese and chocolate crumb, pursuant to the provisions of Section 22 of the Agricultural Adjustment Act, as amended, 7 U.S.C. 624, (Section 22). Those limitations are set forth in Part 3 of the Appendix to the Tariff Schedules of the United States (TSUS).

Sections 701 and 703 of the Trade Agreements Act of 1979, P.L. 96-39 (The Act), require that the President proclaim a) limitations on the quantity of types of cheese specified therein which may enter the United States in any calendar year after 1979 to an annual aggregate quantity of not more than 111,000 metric tons and b) increases in a specified manner, of the quantity of chocolate crumb now subject to certain import quotas which may be entered in any calendar year after 1979. Such limitations and increases are required to become effective on January 1, 1980.

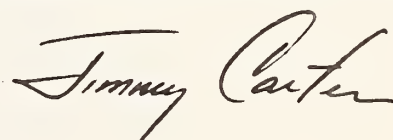
It is provided in Sections 701 and 703 of the Act that such proclamation shall be considered a proclamation issued under Section 22 and which meets the requirements of such section.

The Act also approved bilateral agreements entered into during the Multilateral Trade Negotiations (MTN) by the United States and certain foreign countries with respect to the quantity of cheese and chocolate crumb subject to such limitations that may be imported from such countries. These agreements contained the provision that "the United States agrees to take all necessary measures to permit the maximum utilization of the quotas."

On the basis of the information submitted to me, I find and declare that the import limitations hereinafter proclaimed with respect to cheese and chocolate crumb are in accord with the requirements of Sections 701 and 703 of the Act and the bilateral agreements approved by such Act which were entered into by the United States and certain foreign countries with respect to the quantity of cheese and chocolate crumb subject to such limitations that may be imported from such countries.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under and by virtue of the authority vested in me as President, and in conformity with the provisions of Section 22 of the Agricultural Adjustment Act of 1933, as amended, the Tariff Classification Act of 1962, the Trade Act of 1974, the Trade Agreements Act of 1979, and the bilateral agreements relating to cheese and chocolate crumb approved by the Trade Agreements Act of 1979, do hereby proclaim that Part 3 of the Appendix to the Tariff Schedules of the United States is amended, effective January 1, 1980, as set forth in the Annex to this proclamation.

IN WITNESS WHEREOF, I have hereunto set my hand this eleventh day of December, in the year of our Lord nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and fourth.



ANNEX

1. Headnote 3(a) to part 3 of the Appendix to the Tariff Schedules of the United States is amended to read as follows:

"3. (a) Dairy products.—

(1) Imported articles subject to the import quotas provided for in items 950.01 through 950.11, except 950.06, may be entered only by or for the account of a person or firm to which a license has been issued by or under the authority of the Secretary of Agriculture, and only in accordance with the terms of such license; except that no such license shall be required for up to 1,837,351 pounds per quota year of natural Cheddar cheese, the product of Canada, made from unpasteurized milk and aged not less than 9 months, which prior to exportation has been certified to meet such requirements by an official of the Canadian government. Such licenses shall be issued under regulations of the Secretary of Agriculture which he determines will, to the fullest extent practicable, result in the equitable distribution of the respective quotas for such articles among importers or users and facilitate the utilization of the quotas by the supplying countries, taking due account of any special factors which may have affected or may be affecting the trade in the articles concerned.

(11) Under item 950.08A not more than 10,367,988 pounds of the annual quota quantity shall be products other than natural Cheddar cheese made from unpasteurized milk and aged not less than 9 months.

(111) Notwithstanding any other provision of this part, if the Secretary of Agriculture determines that a quantity specified in the column entitled "Quota Quantity" opposite the name

of any country is not likely to be entered from such country within any calendar year, he may provide with respect to such article for the adjustment for that calendar year, within the aggregate quantity of such article permitted to be entered from all countries during such calendar year, of the quantities of such article which may be entered during such year from the countries specified as countries of origin for such article. The Secretary of Agriculture shall notify the Secretary of the Treasury of such adjustment and, with respect to country of origin adjustments for any article for which a license is not required, file notice thereof with the Federal Register. With respect to articles for which a license is not required, such adjustment shall become effective 3 days after the date of publication in the Federal Register.

(iv) For the purposes of this part, the term "soft ripened cow's milk cheese" means cheese which—

- (1) has a prominent crust formed on the exterior surface as a result of curing or ripening by biological curing agents such as molds, yeasts, or other microorganisms,
- (2) visibly cures or ripens from the surface toward the center,
- (3) has a fat content by weight (on a moisture-free basis) of not less than 50 percent, and
- (4) has a moisture content (calculated by weight of the non-fatty matter) of not less than 65 percent,

but does not include cheese with mold distributed throughout its interior."

2. Items 950.07 through 950.16 are amended to read as follows:

ISUS Item	Article	Quota Quantity (in pounds)	Metric Equivalent (in kilograms)
	(Whenever....:)		
	(Cheeses....:)		
950.07	Blue-mold cheese (except Stilton produced in the United Kingdom) and cheese and substitutes for cheese containing, or processed from, blue-mold cheese (provided for in item 117.00, 117.05, 117.75, or 117.88):		
	European Economic Community...	3,465,203	2,479,000
	Argentina.....	4,409	2,000
	Other.....	2	1
950.08A	Cheddar cheese, and cheese and substitutes for cheese containing, or processed from, Cheddar cheese (provided for in item 117.13, 117.20, 117.75, or 117.88):		
	European Economic Community...	579,809	263,000
	Australia.....	2,645,520	1,200,000
	New Zealand.....	6,834,260	3,100,000
	Canada.....	1,837,351	833,417
	Other.....	308,399	139,889
950.08B	American-type cheese, including Colby, washed curd, and granular cheese (but not including Cheddar) and cheese and substitutes for cheese containing, or processed from, such American-type cheese (provided for in item 117.75, 117.81, or 117.88):		
	European Economic Community...	559,968	254,000
	Australia.....	2,204,600	1,000,000
	New Zealand.....	4,409,200	2,000,000
	Other.....	371,598	168,356

TSUS Item	Article	Quota Quantity (in pounds)	Metric Equivalent (in kilograms)
	(Wherever...:)		
	(Cheeses...:)		
950.09A	Edam and Gouda cheeses (provided for in item 117.25):		
	European Economic Community...	8,842,650	4,011,000
	Sweden.....	98,388	41,000
	Argentina.....	275,575	125,000
	Other.....	2	1
950.09B	Cheese and substitutes for cheese containing, or processed from, Edam and Gouda cheese (provided for in item 117.25, 117.75, or 117.88):		
	European Economic Community...	2,727,090	1,237,000
	Norway.....	368,168	167,000
	Other.....	55,999	25,401
950.10	Italian-type cheeses, made from cow's milk, in original loaves (Romano, made from cow's milk, Reggiano, Parmesano, Provoloni, Provelatte, and Sbrins) (provided for in item 117.44 or 117.55):		
	European Economic Community...	1,886,709	1,763,000
	Argentina.....	8,487,710	3,850,000
	Other.....	2	1
950.10A	Italian-type cheeses, made from cow's milk, not in original loaves (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provelatte, Sbrins, and Goya) and cheese and substitutes for cheese containing, or processed from, such Italian-type cheeses, whether or not in original loaves (provided for in item 117.42, 117.44, 117.55, 117.75, 117.86, or 117.88):		
	European Economic Community...	103,616	47,000
	Argentina.....	1,417,557	643,000
	Other.....	28,798	13,063

Item	Article	(in pounds)	(in kilograms)
950.11	(Whenever...) Malted milk, and articles of milk or cream (provided for in item 118.30)....	6,000	2,721
950.15	Chocolate provided for in item 156.30 containing over 5.5 percent by weight of butterfat (except articles for consumption at retail as candy or confection):		
	Ireland.....	9,450,000	4,286,491
	United Kingdom.....	7,450,000	3,379,297
	Netherlands.....	100,000	45,359
	Australia.....	4,409,200	2,000,000
	New Zealand.....	2	1
	Other.....	None	None
950.16	Chocolate provided for in item 156.30 and articles containing chocolate provided for in item 182.99, containing 5.5 percent or less by weight of butterfat (except articles for consumption at retail as candy or confection):		
	United Kingdom.....	930,000	421,845
	Ireland.....	3,750,000	1,700,988
	New Zealand.....	2	1
	Other.....	None	None"

TSUS Item	Article	Quota Quantity (in pounds)	Metric Equivalent (in kilograms)
(Wherever...)			
(Cheeses...)			
(Cheeses...)			
	Portugal.....	1,003,297	456,000
	Austria.....	1,432,990	650,000
	Israel.....	1,483,595	673,000
	(no more than 332,736 of which shall contain more than 3 per- cent by weight of butterfat)		(no more than 160,000 of which shall contain more than 3 percent by weight of butter- fat)
	Argentina.....	220,460	100,000
	Australia.....	2,314,830	1,050,000
	Other.....	287,997	130,635

950.10E

Cheese, and substitutes for
cheese, containing 0.5 percent
or less by weight of butterfat,
provided for in item 117.75
or 117.88 (except articles within
the scope of other import quotas
provided for in this part):

European Economic Community...	8,818,400	4,000,000
Poland.....	385,599	174,907
Australia.....	351,150	250,000
New Zealand.....	2,204,600	1,000,000
Sweden.....	351,150	250,000
Israel.....	110,230	50,000
Other.....	2	1

(Whenever...:)

(Cheeses...:)

950.100	Swiss or Zementhaler cheese with eye formation (provided for in item 117.60):		
	European Economic Community...	13,227,600	6,000,000
	Austria.....	13,844,888	6,280,000
	Finland.....	18,077,720	8,250,000
	Norway.....	15,174,261	6,883,000
	Switzerland.....	7,561,778	3,430,000
	Israel.....	59,524	27,000
	Australia.....	1,102,300	500,000
	Canada.....	154,322	70,000
	Iceland.....	661,380	300,000
	Argentina.....	176,368	80,000
	Other.....	187,999	85,276
950.100	Swiss or Zementhaler cheese other than with eye formation, Gruyere-process cheese, and cheese and substitutes for cheese containing, or processed from, such cheeses (provided for in item 117.60, 117.75, or 117.88):		
	European Economic Community...	7,716,100	3,500,000
	Austria.....	2,028,232	920,000
	Finland.....	2,204,600	1,000,000
	Switzerland.....	3,196,670	1,450,000
	Portugal.....	275,575	125,000
	Other.....	175,999	79,833
950.100	Cheeses and substitutes for cheese provided for in item 117.75 or 117.88 (except cheese not containing cow's milk and soft ripened cow's milk cheese, cheese (except cottage cheese) containing 0.5 percent or less by weight of butterfat, and articles within the scope of other import quotas provide for in this part):		
	European Economic Community...	44,092,000	20,000,000
	Finland.....	2,865,980	1,300,000
	Iceland.....	712,085	323,000
	Norway.....	330,690	150,000
	Poland.....	2,063,999	936,224
	Sweden.....	2,334,671	1,059,000
	Switzerland.....	3,571,452	1,620,000
	New Zealand.....	24,960,481	11,322,000
	Canada.....	2,515,448	1,141,000

Federal Register

Vol. 46, No. 1

Friday, January 2, 1981

Presidential Documents

Title 3—

Proclamation 4811 of December 30, 1980

The President

Proclamation To Amend the Tariff Schedules of the United States With Respect to the Quantitative Limitations of Certain Cheeses

By the President of the United States of America

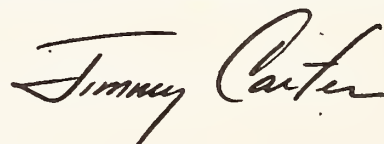
A Proclamation

1. Import limitations have been imposed on certain cheeses pursuant to the provisions of Section 22 of the Agricultural Adjustment Act, as amended, 7 U.S.C. 624. Section 701 of the Trade Agreements Act of 1979, P.L. 96-39 (the "Act"), requires that the President proclaim limitations on the quantity of cheese of the types specified therein, which may enter the United States in any calendar year after 1979. The Act provides that the annual aggregate quantity of such types of cheese entered shall not exceed 111,000 metric tons. Such quantitative limitations appear in Part 3 of the Appendix to the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202). The present limitations became effective on January 1, 1980, pursuant to Proclamation 4708 of December 11, 1979.

2. In order to permit imports at a level more nearly in line with current trade requirements, the quantitative limitations set forth in the Appendix to the TSUS must be modified.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including the provisions of Section 22 of the Agricultural Adjustment Act of 1933, as amended, and the Trade Agreements Act of 1979, do hereby proclaim that Part 3 of the Appendix to the Tariff Schedules of the United States is modified effective January 1, 1981, as set forth in the Annex to this Proclamation.

IN WITNESS WHEREOF, I have hereunto set my hand this thirtieth day of December, in the year of our Lord nineteen hundred and eighty, and of the Independence of the United States of America the two hundred and fifth.



Thursday
December 20, 1979

Federal Register

Part VII

**Department of
Agriculture**

Office of the Secretary

**Section 22 Import Quotas; Certain Dairy
Products**

DEPARTMENT OF AGRICULTURE**Office of the Secretary****7 CFR Part 6****Section 22 Import Quotas; Certain Dairy Products**

AGENCY: Foreign Agricultural Service, USDA.

ACTION: Final rule.

SUMMARY: This rule revises Import Regulation 1 governing the administration of the import licensing system for certain dairy products subject to quotas proclaimed under the authority of Section 22 of the Agricultural Adjustment Act of 1933, as amended. The provisions of this final rule reflect changes made in quotas for certain dairy products by Presidential Proclamation effective December 13, 1979, issued in accordance with the provisions of the Trade Agreements Act of 1979 (Pub. L. 96-39) (the Act) and bilateral agreements approved by the Act. The revision is needed in order to assure fair and equitable allocation and use of licenses for the importation of articles subject to such quotas.

EFFECTIVE DATE: December 21, 1979.

FOR FURTHER INFORMATION CONTACT: Carol M. Harvey, Head, Dairy and Import Group, Dairy, Livestock and Poultry Division, CP, Room 6616, South Building, Department of Agriculture, Washington, D.C. 20250. (202) 447-5270.

SUPPLEMENTARY INFORMATION: The proposed revision of Import Regulation 1, was published in the Federal Register on October 3, 1979. A 30-day public comment period ended on November 2, 1979. Written comments were received from 29 different entities. Those meritorious comments deemed both administratively possible to implement and not in conflict with the objective of fair and equitable allocation among the various interested parties have been incorporated into this final rule, Import Regulation I, Revision 7. Other comments were not included in this final rule because their inclusion would have resulted in a significant enough change in the proposed rule to require another comment period. In view of the need to implement the program governed by this rule for the 1980 quota year, such was not considered possible. However, the Licensing Authority will keep the operation of this revision under review and propose amendments as necessary.

Since it will be necessary to have a preparation period, in addition to an application period, in order to give applicants throughout the country

adequate time to study the regulation and apply for 1980 Appendix 2 licenses, final issuance of Appendix 2 licenses cannot occur by the beginning of the quota year, January 1, 1980. Consequently, the Licensing Authority has determined that in certain cases it will be necessary to issue partial interim licenses based on the documents already submitted pursuant to the notice in the Federal Register of August 16, 1979, (44 FR 47969). This does not exempt applicants from submitting their documents as required in § 6.25(a) of this rule.

**Discussion of Major Comments—
Definition of Affiliate**

One entity commented that the rules of attribution under which affiliation may be found should not be limited to stock ownership but should extend to any form of ownership in an entity holding license to import cheese. The rules of attribution in § 6.25(b)(3) are accordingly revised.

It should be noted that the definition of affiliate in the proposed regulation was stated only in terms of attribution of ownership. This has been changed to a more general definition which is in turn expanded by the rules of attribution to be found in § 6.25(b)(3).

These rules of attribution have been slightly modified from the draft to permit family members who can clearly show the Licensing Authority that they are not affiliates to be considered as separate persons for the purpose of this regulation.

Definition of Cheese

It was pointed out by two entities that a definition of cheese or cheese product would clarify many passages, especially the passages dealing with eligibility. A definition has thus been inserted. It includes all those products defined as cheese or cheese products for which standards of identity have to date been promulgated by the Food and Drug Administration and/or found in Part 133 of Title 21 of the CFR.

**Definition of Entire Dairy Products
Business**

One entity commented that a definition of "entire dairy products business" in terms of total assets was unfair to small businesses that would like to acquire the good will, trade connections, and licenses for an entire product line of all cheese from a particular country, but have no way of acquiring the requisite assets of a large corporation with a large business dependent on licenses. While this may be true, it is felt that altering the definition to permit the transfer of

license eligibility for an entire product line, rather than the entire dairy products business, would tend to be an undesirable step toward the legalization of the actual buying and selling of selected licenses. This has always been considered inequitable in light of the historical basis upon which most license allocations have been made. In addition, it is felt that such a change could lead to the gradual acquisition of the import rights for a certain country's quotas by one firm.

EC-Wide Quotas

Three entities were either opposed to the EC-wide quota or desired gradual implementation of it. The reasons advanced by these commentators ranged from the greater difficulty of license adjustment, which could result from the larger source of product, to the possibility that competition among EC member states will be so intense that chaotic market conditions will develop in the United States. The regulation governing price-undercutting (published as a proposed rule in the Federal Register on October 30, 1979, 44 FR 62292) should serve to prevent such market chaos.

Postmark

One entity objected entirely to the idea of using the postmark date as a criterion for license allocation, indicating that ways can be found to get around the stricter definition of "postmark" and suggesting that a random selection method be used. The Licensing Authority has been authorized in this final rule to use some other fair and equitable procedure in cases where the postmark dates on applications are all the same.

The Application Period for 1980 Licenses

In view of the number of changes brought about by this regulation, the number of importers which may become involved for the first time with licensing procedures, and the need for time to receive and study the substantive provisions contained in this revision, it has been determined that a 21-day application preparation period for 1980 licenses is warranted beginning December 21, 1979. This will be followed by a 21-day official application period during which all license applications for Appendix 2 licenses and government endorsements for the 1980 quota year must be submitted. Therefore, all applications and endorsements for 1980 Appendix 2 licenses must be postmarked no later than January 31, 1980.

Provisions for Historical License Eligibility

Three entities stated that they would like to see the increases in the quotas negotiated during the Tokyo Round of the Multilateral Trade Negotiations left open, i.e., not allocated on a historical basis. They felt that historical licenses have prevented and would continue to prevent full utilization of the quotas. Two of the entities preferred a first-come, first-served system, and the third a gradual phase-out of historical licenses for some other form of licensed imports. While this regulation does not eliminate historical licenses, it has, since Revision 6 (effective November 22, 1978), envisioned the eventual diminution of the proportion of each quota allocated as historical licenses through the conversion to nonhistorical or supplementary status of those historical licenses lost by licensees due to nonuse or violation of the regulation.

Three entities commented on the base period used for determining eligibility for Appendix 2 historical licenses. Each suggested that the chosen period was not representative. The Licensing Authority, however, feels that the base period chosen, July 1, 1978–June 30, 1979, is representative, and the fact that so few of the over 400 firms involved in importing cheese have expressed dissatisfaction with it tends to substantiate the fact that this period is generally accepted as representative.

Methods for the Allocation of License

Two entities commented on the fact that no more than 50 percent of the quota in Appendix 2 will be made available for historical licenses. One commentator felt that an eligible importer should receive 100 percent of what he or she imported during the base period. The other felt that at least 50 percent of Appendix 2 should, in all instances, be reserved for importers active during the base period. The provision of the regulation is intended to accommodate all legitimate interests in the cheese importing business, including firms who, after January 1, 1980, will be totally new to the importing business. The allocation procedures established will, generally speaking, give such newcomers the opportunity to compete through the application process for up to 25 percent of the overall quota.

It should be noted that a change in § 6.26(a)(4) has been made in response to comments. The provision was generalized in the interest of fairness.

Size and Number of Supplementary Licenses

Two entities commented on the size of the supplementary licenses. One commentator indicated that the minimum quantity should be graduated according to the amount of quota available for supplementary allocation for a particular cheese from a particular country. This suggestion was approved in modified form and incorporated in the final rule as a means of giving more importers a chance to obtain licenses.

The second commentator dealt with the limitation on supplementary licenses obtained by Appendix 2 historical licensees. This limitation provides that such historical licensees receive supplementary allocations the sizes of which are not more than their historical shares under Appendix 2. Under certain circumstances, this could result in the historical licensee receiving less than the newcomer. A revision has thus been made permitting the Licensing Authority to allocate to an Appendix 2 historical licensee a supplementary quota share large enough in size to bring his or her combined historical and supplementary quota share up to at least the size of the supplementary shares given to newcomers.

It should be noted that Appendix 2 historical licensees will be limited to the supplementary shares to which they are entitled by virtue of their historical license and one other supplementary share of a particular cheese article. This is intended to increase the amount available for allocation to newcomers.

Less Than 85 Percent Use of Licenses

Eight entities offered comments on various provisions of the regulation which deal with less than 85 percent use of a license—some finding the penalties too harsh, others not harsh enough.

Five of the comments submitted focused specifically on the proposed August 1 surrender date for portions of quota shares which will not be used during the remainder of the quota year. All five felt August 1 was too early to make a decision on license use for the remainder of the year. To resolve the problem the October 1 date contained in Revision 6 is being retained, but a September 1–15 application period for extra license is being introduced to permit the Licensing Authority to make immediate reallocation upon receipt of the surrendered licenses. This should give importers receiving reallocated portions adequate time to use such portions before the quota year ends.

Another change from the proposed rule made in the interest of equity is the application of the penalty for less than

85 percent use of supplementary licenses to importers endorsed by foreign governments, as well as non-endorsed importers. This change was adopted in response to comments submitted to this effect.

The penalty for less than 85 percent use of a historical license has been modified in response to public comment.

Rather than automatically reducing the license to one half of its normal amount, it will be reduced to the amount imported during the previous quota year. This will prevent undue hardship on those firms which miss the 85 percent use rate by only a few percentage points while reducing to less than 50 percent those licenses which were used at less than the 50 percent rate.

Annual Licenses

One entity disagreed with the reasons favoring annual licenses stated in the supplementary information section of the proposed rule. The Licensing Authority feels that the combination of regulations implementing the price-undercutting provisions of section 702 of the Trade Agreements Act of 1979 (Pub. L. 96–39), the usual price disincentive to import during the flush period, and past experience indicating that the heaviest business takes place during the holiday season all serve to eliminate the need for utilizing a semi-annual licensing system. The resulting reduction in administrative burden will be substantial both for the importers and the Licensing Authority.

Endorsement of Preferred Importers by Exporting Countries

Sixteen entities submitted comments on the provision for endorsement of preferred importers by the governments of exporting countries. Comments on the matter were about equally divided. The Licensing Authority has examined the quantities available for such endorsement and is convinced that the endorsement provision will not distort competition but, on the contrary, in some cases, will tend to enhance competition. Periodic examination of the effects of the system over time will be conducted by the Department of Agriculture. Should revision of the regulation become necessary in order to improve this or any other provision, the Licensing Authority will, as it has in the past, propose such necessary revisions, allowing time for public comment. This final rule has been revised to ensure that endorsed importers comply with the provisions of the regulation, and effective with the 1981 quota year, that they meet the eligibility requirements of § 6.25(c).

Permitting the exporting country to designate importers for a certain proportion of the quota only allows it to maintain some of the prerogative it has enjoyed in the absence of quotas, i.e., to choose the business partner(s) in the United States with whom it would like to deal.

Authority to Adjust Licenses

Three entities commented on the authority found in § 6.30 to adjust the country of origin on licenses. The suggestion was made that if it can be satisfactorily shown to the Licensing Authority that an exporting country has been or is discriminating against a licensee with respect to price or availability, then the Licensing Authority should adjust the country of origin of the license or waive the penalty for less than 85 percent utilization. This has been incorporated into § 6.30, especially to eliminate a possible avenue for a supplying country to indirectly cause selected historical licensees to lose their eligibility.

In view of the fact that the provisions contained herein will affect the administration of the import licensing system for certain dairy products subject to quota imposed by Presidential Proclamation issued under the authority of Section 22 of the Agricultural Adjustment Act of 1933, as amended, effective January 1, 1980, and since prompt implementation of the provisions is essential in order to carry out the terms of such Proclamation and issue licenses as near to January 1, 1980, as possible, it is found that good cause exists for not postponing the effective date of this final rule until 30 days after publication in the Federal Register (5 U.S.C. 552).

Accordingly, 7 CFR, Part 6, Subpart—Section 22 Import Quotas, § 6.20–6.32, Appendix 1 and Appendix 2 are amended as follows:

Subpart—Section 22 Import Quotas

- Sec.
- 6.20 Determination.
- 6.21 Definitions.
- 6.22 Prohibitions and restrictions on imports.
- 6.23 Exceptions.
- 6.24 Application for license.
- 6.25 Eligibility.
- 6.26 Allocation of annual quota and issuance of licenses.
- 6.27 Use of licenses.
- 6.28 Records and inspection.
- 6.29 Suspension or revocation of eligibility.
- 6.30 Adjustment of countries of origin.
- 6.31 Delegation of authority.
- 6.32 Superseding of Import Regulation 1, Revision 6.

Appendix 1—Articles subject to the historical and nonhistorical licensing provisions of Import Regulation 1, Revision 7,

and respective annual import quotas for each quota year.

Appendix 2—Articles subject to the historical and supplementary licensing provisions of Import Regulation 1, Revision 7, and respective annual import quotas for each quota year.

Authority: Sec. 3, Pub. L. 897, 80th Cong., 2nd Sess., 62 Stat. 1248, as amended (7 U.S.C. 624); secs 701, 703, Pub. L. 98–39, 93 Stat. 268, 272 (19 U.S.C. 1202 note); Part 3 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202).

Subpart—Section 22 Import Quotas

§ 6.20 Determination.

Part 3 of the Appendix to the Tariff Schedules of the United States, which contains the quantitative limitations on certain articles imported into the United States proclaimed by the President pursuant to Section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624), provides that certain articles may be entered only by or for the account of a person or firm to which a license has been issued by or under the authority of the Secretary of Agriculture and only in accordance with the terms of such license as set forth in this regulation. Licenses are to be issued under regulations of the Secretary of Agriculture which he determines will, to the fullest extent practicable, result in the fair and equitable allocation among importers or users of the right to import articles subject to such quotas and facilitate the maximum utilization of the respective quotas for such articles, taking due account of any special factors which may have affected or may be affecting the trade in the articles concerned. It is hereby determined that the regulation will, to the fullest extent practicable, accomplish this result.

§ 6.21 Definitions.

Except where the context otherwise requires, the following terms have the meanings set forth in this section:

(a) "Affiliate" means any person or legal entity which owns or is owned by, in total or in part, directly or indirectly, or controls or is controlled by another person, persons or legal entity. For a corporation, ownership interest will be the controlling criterion. If 5 percent or more equity interest in the aggregate is owned or controlled in a corporation, partnership, estate, or trust by or for a person, a corporation, a partnership, or a beneficiary of an estate or a trust, the interest will be considered as owned or controlled by the person, partnership, corporation, estate or trust. Ownership interest in any person or legal entity may be attributed to another person or entity in accordance with § 6.25(b)(3), thereby causing the person or entity to whom the ownership interest has been

attributed to be defined as an "affiliate" even though such persons or legal entities have no direct relation with each other.

(b) "Annual Quota" means the quantity of an article which may be entered in a quota year as provided in Appendix 1 or Appendix 2.

(c) "Appendix 1" means Appendix 1 to this regulation. Definitions of articles in this appendix are the same as those provided in the Tariff Schedules of the United States.

(d) "Appendix 2" means Appendix 2 to this regulation. Definitions of articles in this appendix are the same as those provided in the Tariff Schedules of the United States.

(e) "Article" means any TSUS item referred to in Appendix 1 or Appendix 2.

(f) "Associate" means a party connected with one or more parties, formally or informally, directly or indirectly, with the common purpose of obtaining eligibility for additional licenses, one party intending to use, (and benefit economically from such use) directly or indirectly the licenses that the other may acquire. Two or more associates of a third party shall not be deemed to be associates of one another due to such third-party association only.

(g) "Authorized agent" means an agent as used in 19 CFR 141.31(a) for whom the licensee has filed with the District Director of Customs a limited power of attorney using Customs Form 5291 authorizing such agent to act for, but only in, the licensee's name.

(h) "Basic annual allocation" refers to historical quota shares only and means the quota share of a licensee for an article before any reduction as authorized under § 6.26(d) has been effected. It will be calculated on the basis of the annual average amount entered by a licensee during a predetermined representative base period.

(i) "Cheese or cheese products" means those cheeses and cheese products for which standards of identity have been promulgated by the Food and Drug Administration and/or which are encompassed within Part 133 of Title 21 (Food and Drugs) of the Code of Federal Regulation as of December 20, 1979.

(j) "Country of origin" and/or "Supplying country" mean the country in which the article subject to the regulation was produced or manufactured as defined under 19 CFR 134.1(b).

(k) "Date of entry" is the date when the specified Customs entry form is properly executed and deposited, together with estimated duties and any related documents required by law or regulation to be filed with such form at

the time of entry, with the appropriate Customs Officer.

(l) "Department" means the United States Department of Agriculture.

(m) "EC" means the nine European Community countries, viz., Belgium, Denmark, the Federal Republic of Germany, France, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom, which for the purposes of this regulation shall be deemed as one country of origin.

(n) "Eligible applicant" means a person applying for a license to enter an article who has established, to the satisfaction of the Licensing Authority, eligibility to enter such article, in accordance with § 6.25.

(o) "Enter" means to make entry, or withdrawal from warehouse, for consumption by deposit with, and acceptance by, the appropriate Customs officer of the properly executed entry documents, including invoices, bills of lading and payment of estimated duties.

(p) "Entire dairy products business" means the total assets and operations of the foreign and domestic aspects of a business pertaining to articles subject to the provisions of this regulation.

(q) "Entrepreneurial use" means the processing or sale of the article entered pursuant to the license as a part of the ordinary conduct of business by a licensee who is managing and assuming the risk of such business. Such term does not include one who is functioning as a mere supplier of license.

(r) "Licensee" means any person to whom a license has been issued under the regulation.

(s) "Licensing Authority" means the Director, Dairy, Livestock and Poultry Division, Foreign Agricultural Service, U.S. Department of Agriculture or any other officer or employee of the Department designated in writing as Acting Director in the absence of the Director.

(t) "Other countries" refers to countries sharing a common quota which are not listed as having separate quotas in Appendix 1 or Appendix 2, and for the purposes of the regulation are deemed as one country of origin.

(u) "Person" includes any individual, firm, corporation, partnership, association, or other legal entity. It also includes any national government (other than the Government of the United States and any agency thereof).

(v) "Postmark" means the postage cancellation mark applied by the U.S. Post Office showing the post office and date of mailing. This *does not* include metered postage affixed by the applicant or any other private entity.

(w) "Quota share" means that part of the annual quota of an article listed in

Appendix 1 or Appendix 2 for which a person is eligible.

(x) "Quota year" means the 12-month period beginning on January 1 of any given year.

(y) "Regulation" means the provisions contained in the Licensing Regulation of this subpart.

(z) "United States" means the Customs Territory of the United States, which is limited to the United States, District of Columbia and Puerto Rico.

§ 6.22 Prohibitions and restrictions on importers.

(a) No person may enter or cause to be entered any article listed in Appendix 1 or Appendix 2, except as provided in § 6.23 or as authorized by a license issued pursuant to this regulation.

(b) A person to whom a license has been issued hereunder is not relieved from compliance with any requirement of this regulation or any other applicable laws and regulations.

§ 6.23 Exceptions.

Licenses are not required for the entry of:

(a) Articles imported by or for the account of any agency of the U.S. Government.

(b) Articles with an aggregate value of not over \$25 in any shipment, if imported as samples for taking orders, for the personal use of the importer, or for research.

(c) Articles imported for exhibition, display or sampling at a trade fair, or for research, if written approval of the Licensing Authority is obtained.

§ 6.24 Application for license.

Applications to the Licensing Authority for the issuance of licenses to enter articles must be made in writing, addressed to the Head, Dairy and Import Group, Dairy, Livestock and Poultry Division, Foreign Agricultural Service, U.S. Department of Agriculture, Washington, D.C. 20250. Each letter of application must state the article (including the Part 3 TSUS Appendix classification number), the country of origin of the article, and, in the case of supplementary and nonhistorical licenses or licenses for portions allocated under paragraph (e) of § 6.26, the size of each quota share desired. Unpostmarked applications will not be approved by the Licensing Authority.

§ 6.25 Eligibility.

(a) *Historical Eligibility.* (1) Historical eligibility for licenses to enter quota shares of articles subject to quotas in effect as of November 22, 1978, the adjusted quantities of which are shown

in Appendix 1, has already been determined.

(2) Historical eligibility for licenses to enter quota shares of articles under Group V of Appendix 2, which prior to January 1, 1980 were not subject to quota, will be established upon submission by the importer of copies of broker's copies of official consumption entry or warehouse withdrawal for consumption records, Customs forms 7501 and 7505, showing the applicant as the importer of record or importer of account for entries made during the period July 1, 1978 through June 30, 1979 of cheese, cheese product or substitutes for cheese falling under TSUS Nos. 117.6035 (Swiss or Emmenthaler), 117.6055, 117.7550, 117.8550 (Gruyere-Process), 117.7560, 117.8560 except soft-ripened cheese (Other cheese, NSPF, except soft-ripened cheese), and 117.7570 and 117.8570 (Other cheese, Lowfat). In order to assure consideration for 1980 licenses, such consumption entry or warehouse withdrawal documents should be mailed to the Licensing Authority no later than January 31, 1980. Copies of other than the broker's copy will only be accepted if it is established that, for reasons satisfactory to the Licensing Authority, the broker's copy is not available. The Licensing Authority may also require a copy of the invoice or other documentation showing that the importer was the owner of the article at the time entry was made and substantiating the type or variety of cheese entered. Such invoices should accompany an application for Appendix 2 historical licenses for TSUS items 117.7560 and 117.8560.

(3) Historical eligibility for license to enter a quota share of an article under Group II, III, or IV of Appendix 2 from a particular country of origin may be acquired only by persons eligible for a historical license to enter such article from such country of origin under Appendix 1.

(b) *Nonhistorical eligibility.* (1) Any person, who is not eligible under paragraph (a) of this section to receive a historical license to enter a particular article in Appendix 1 or Appendix 2, or has voluntarily surrendered such eligibility, who meets the requirements of this paragraph, will be eligible to obtain a nonhistorical license to enter a quota share of such article in Appendix 1.

(2) Nonhistorical eligibility for specific articles listed in Appendix 1 will be established upon submission of:

(i) A notarized certification sworn to by the applicant under penalty of perjury stating that: (A) Such person intends to be regularly engaged, during

the period covered by the license(s) for which application is made, in the business of manufacturing within the United States or entering such articles for his or her own entrepreneurial use and for this purpose will maintain a bonafide business office within the United States and have a person, principal or resident agent upon whom service of judicial process may be made; (B) such person intends to use any article entered pursuant to a license obtained hereunder in actual commerce and, when required will submit proof demonstrating the use to which licenses and the articles entered pursuant thereto have been made; (C) such person is not a part of or an affiliate of the business of any other person eligible for a license for the article(s) for which application for license is made, and is not an officer, member, partner, associate, or employee of the business of such other person;

(ii) A list of the person(s) holding an ownership interest of 5 percent or more in the applying firm (if other than an individual) showing the percent of ownership held by each such person, and;

(iii) In addition, in the case of application for license(s) to enter any article(s) under Groups II through V (cheese), documentary evidence that such person has made at least two commercial entries of cheese or cheese products together totaling at least 10,000 pounds, as owner of the product and importer of record, or is listed in the most current issue of "Dairy Plants Surveyed and Approved for USDA Grading Service" and has manufactured in his or her own plant 100,000 pounds or more of cheese or cheese product within the United States, during the 12 month period ending August 1 of the year preceding that for which application for license is being made, including, when required, proof of payment in said person's own name for the said entered cheese or cheese products and corresponding duties.

(3) In determining whether persons or legal entities having no direct relation are, for purposes of this regulation, affiliated, the following rules of attribution apply:

(i) Members of a family: Unless established otherwise to the satisfaction of the Licensing Authority, an individual shall be considered as owning the stock or other ownership interest owned, directly or indirectly, by or for (A) a spouse (other than a spouse legally separated from the individual under a decree of divorce or separate maintenance), and (B) children, grandchildren, parents, brothers and sisters.

(ii) Attribution from partnerships and estates: Stock or other ownership interest owned, directly or indirectly, by or for a partnership or estate shall be considered as owned proportionately by its partners or beneficiaries.

(iii) Attribution from trusts. (A) Stock or other ownership interest owned, directly or indirectly, by or for a trust (other than an employees' trust) shall be considered as owned by its beneficiaries in such trust. (B) Stock or other ownership interest owned, directly or indirectly, by or for any portion of a trust of which a person is considered the owner under subpart E of part I of subchapter J of the Internal Revenue Code (relating to grantors and others treated as substantial owners) shall be considered as being owned by such person.

(iv) Attribution from corporations: If five percent or more in value of the stock or other ownership interest in a corporation is owned, directly or indirectly, by or for any person, such person shall be considered as owning the stock or other interest owned, directly or indirectly, by or for such person.

(v) Attribution to partnerships and estates: Stock or other ownership interest owned, directly or indirectly, by or for a beneficiary of a trust (other than an employees' trust) shall be considered as owned by the trust, unless such beneficiary's interest in the trust is a remote contingent interest. For purposes of this clause, a contingent interest of a beneficiary in a trust shall be considered remote if, under the maximum exercise of discretion by the trustee in favor of such beneficiary, the value of such interest, computed actuarially, is five percent or less of the value of the trust property. Stock or other ownership interest owned, directly or indirectly, by or for a person who is considered the owner of any portion of a trust under subpart E of part I of subchapter J of the Internal Revenue Code (relating to grantors and others treated as substantial owners) shall be considered as owned by a trust.

(vi) Attribution to corporations: If five percent or more in value of the stock or other ownership interest of a corporation is owned, directly or indirectly, by or for any person, such corporation shall be considered as owning the stock or other ownership interest owned, directly or indirectly, by or for such person.

(vii) Options: If any person has an option to acquire stock or other ownership interest, such stock or other ownership shall be considered as owned by such person. For purposes of this paragraph, an option to acquire such an

option, and each one of a series of such options, shall be considered as an option to acquire such stock or ownership interest.

(viii) Operating Rules: (A) In general: Except as provided in paragraph (b)(3)(viii)(B) and (C) of this section, stock or other ownership interest constructively owned by a person by reason of the application of paragraph (b)(3) (i), (v), (vi), or (vii), shall for purposes of applying paragraph (b)(3) (i), (v), (vi), and (vii) be considered as actually owned by such person.

(B) Members of a family: Stock or other ownership interest constructively owned by an individual by reason of the application of paragraph (b)(3)(i) of this section shall not be considered as owned by him or her for purposes of again applying paragraph (b)(3)(i) of this section in order to make another the constructive owner of such stock or ownership interest.

(C) Partnerships, estates, trusts, and corporations: Stock or ownership interest constructively owned by a partnership, estate, trust or corporation by reason of the application of paragraph (b)(3) (v) and (vi) of this section shall not be considered as owned by it for purposes of again applying paragraph (b)(3) (ii), (iii) and (iv) of this section in order to make another the constructive owner of such stock or ownership interest.

(D) Option rule in lieu of family rule: For purposes of this paragraph, if stock or other ownership interest may be considered as held by an individual under paragraph (b)(3) (i) or (vii) of this section, it shall be considered as held by him under paragraph (b)(3)(viii) of this section.

(4) Evidence and certification required to establish the nonhistorical eligibility of a person making application to receive a quota share for a given quota year shall not be approved by the Licensing Authority if postmarked before August 1 or later than November 1 of the year preceding the quota year for which the license to import is requested, except as may otherwise be provided by notice published in the Federal Register.

(c) *Supplementary licenses.* (1) Supplementary license eligibility for specific articles listed in Appendix 2 will be established (i) by submission of documentary evidence acceptable to the Licensing Authority as required under paragraph (b) (2) and (4) of this section or; (ii) by application by a person having historical eligibility under paragraph (a) (2) and (3) of this section for the article from the country of origin for which such person is seeking supplementary license or (iii) by being endorsed in writing by

the government of the supplying country as a preferred importer, with such endorsement being sent directly from the government of the supplying country through appropriate channels to the Licensing Authority and, beginning with the 1981 quota year, by meeting one or both of qualifications (c)(1) (i) and (ii) of this section. Endorsement by the government of a supplying country of a person who is known by the Licensing Authority to have at any time violated any provision of this or any other regulation or law of the United States applicable to international commerce will not be recognized by the Licensing Authority.

(2) Notwithstanding paragraph (b)(4) of this section, certification required to establish supplementary license eligibility for 1980 licenses must be submitted to the Licensing Authority during the 21-day period ending January 31, 1980.

(d) *Continuation of eligibility.* (1) The historical eligibility of a person to receive a license for a quota share established under paragraph (a) of this section will be continued for subsequent quota years unless surrendered in accordance with paragraph (d)(4) of this section or suspended or revoked pursuant to § 6.29: *Provided*, That, no such licenses shall be issued to any licensee unless such licensee, no later than 60 days prior to the beginning of each subsequent quota year submits to the Licensing Authority a notarized certification sworn to by the licensee under the penalty of perjury stating that such licensee maintains a bonafide business office within the United States and has a person, principal or resident agent upon whom service of judicial process may be made; that such licensee has been the sole user of his or her license(s); that such licensee has not permitted his or her license(s) to be used by or for any other person; that such licensee has not entered any article(s) under license(s) issued to any other person(s); and, that such licensee will enter only for his or her own entrepreneurial use the articles for which he or she will be issued license(s) during the next quota year.

(2) The nonhistorical or supplementary eligibility of a person established under paragraph (b) or (c) of this section to enter a quota share of an article for a particular quota year will expire at the end of such quota year. Eligibility for each ensuing year, if desired, must be established by following the procedures set forth in paragraph (b) or (c) of this section.

(3) Any licensee who fails to enter at least 85 percent of a particular nonhistorical or supplementary quota

share for any article for a given year will be ineligible to have such nonhistorical or supplementary quota share renewed for the next quota year, unless such licensee notifies the Licensing Authority in a letter postmarked no later than October 1 of the quota year for which his license is valid, of his intentions to enter less than 85 percent of his quota share and surrenders to the Licensing Authority that portion of the quota share which he or she does not intend to use. If, after surrendering a portion of a non-historical or supplementary quota share of an article, a licensee fails to import 85 percent or more of the unsurrendered portion of the quota share, such licensee will be ineligible to receive a license to import a quota share of such article in the next quota year, unless the licensee establishes that he or she was unable to enter such article due to reasons acceptable to the Licensing Authority.

(4) A historical licensee may elect to permanently surrender his or her historical eligibility for an article in Appendix 1 and receive a nonhistorical quota share for the same article from the same country of origin in the next quota year. If done, said licensee's nonhistorical eligibility will be deemed to have been in effect in the year preceding the year for which nonhistorical application is made giving said licensee the priority accorded under § 6.26(b)(2) (ii) and (iv) below.

(e) *Transfer of eligibility.* (1) Upon receipt of documentary evidence acceptable to the Licensing Authority that the entire dairy products business covered by this regulation of a person who has established historical eligibility for a quota share has been sold or otherwise transferred (a complete transfer of total assets, binding on all parties-in-interest) to a person who is assuming the operation of the entire business involving dairy products covered by this regulation, the Licensing Authority will recognize the successor-in-interest as having eligibility for such quota share: *Provided*, That, in the event of the merger of the businesses of two or more persons, the successor-in-interest, with the persons or firms for which said person is successor-in-interest and said person's affiliates and associates, will be considered only as one person for the purpose of determining nonhistorical or supplementary license eligibility for quota shares. Eligibility for nonhistorical or supplementary quota shares may not be transferred.

(f) The Licensing Authority may, on an annual basis, require submission of signatures of the person(s) authorized to sign for a licensee.

§ 6.26 Allocation of annual quota and issuance of licenses.

(a) *Historical licenses.* (1) Subject to paragraph (d) of this section (concerning temporary reduction of historical quota share), and paragraph (d)(1) of § 6.25 (concerning continuation of eligibility), a person, or his or her successor-in-interest, eligible to receive a historical quota share for an article in Appendix 1 will receive his or her basic annual allocation plus a prorated share of the portion derived from temporary reductions of historical quota shares (done under paragraph (d) of this section) of other historical licensees for the same article in Appendix 1.

(2) Subject to paragraph (d) of this section and paragraph (d)(1) of § 6.25, a person, or his or her successor-in-interest, eligible to receive a historical quota share for an article in Appendix 2 will receive his or her basic annual allocation, but portions of quota shares of articles in Appendix 2 derived from temporary reductions of historical quota shares (done under paragraph (d) of this section) will, to the extent practicable, be allocated as supplementary quota shares in accordance with the provisions of paragraph (c) of this section.

(3) Subject to paragraph (d) of this section and paragraph (d)(1) of § 6.25, a person, or his or her successor-in-interest, who is eligible to receive a historical quota share for an article in Group II, III, or IV of Appendix 1 from a particular country of origin will receive a prorated historical quota share for such article from such country of origin in Appendix 2. A person who has established historical eligibility in accordance with the requirements of § 6.25(a)(2) for an article from a particular country in Group V of Appendix 2 will receive a prorated historical quota share for such article from such country. *Provided*, That, in no case shall more than 50 percent of any quota for any particular country in Appendix 2 be allocated on a historical basis; and no licensee may receive a historical quota share for an article in Group V of Appendix 2 from a particular country of origin which exceeds in size the quantity of such article entered free of quota from such country of origin by such licensee during the period July 1, 1978 through June 30, 1979.

(4) Subject to paragraph (d) of this section and paragraph (d)(1) of § 6.25, a person, or his or her successor-in-interest, who is eligible to receive a historical quota share for an article in Group V of Appendix 1 from a particular country of origin for which entries during the base period were equal to or less than 2 percent of the quota amount

in Appendix 2 for such article from such countries of origin, will receive a historical quota share in Appendix 2 for such article from such country, but in no case shall such person receive a historical quota share for such article from such country in Appendix 2 which is greater in size than 50 percent of his or her basic annual allocation for such article from such country in Appendix 1.

(5) Historical licensees for articles classified under item 950.10D from "Other Countries" in Appendix 1 who can show proof satisfactory to the Licensing Authority that their quota shares for this quota were based on entries of an article for which Australia was the supplying country, may, upon written request, have the country of origin for such quota share(s) permanently changed from "Other Countries" to "Australia."

(6) Where loss of historical licenses has occurred as a result of elimination of a particular quota from a particular country of origin, during the Tokyo Round of Multilateral Trade Negotiations, the Licensing Authority may, to the extent practicable, compensate the affected licensees with equal but not larger historical shares from other quota from the same or another country. Shifts in historical licenses granted for this reason shall be done with the intent of avoiding any adverse impact on eligibility for or the sizes of other historical or non-historical licenses granted to such licensees.

(b) *Nonhistorical licenses (pertaining only to articles in Appendix 1).* (1) The annual quotas in Appendix 1, less the quantities allocated to historical licensees, will, to the extent practicable, be allocated among eligible nonhistorical applicants. Subject to paragraph (b)(3)(ii) of this section, the minimum annual nonhistorical quota share for each article will be as follows:

Article	TSUS Item No.	Minimum quantity (pounds)
Dried buttermilk and whey	950.01	2,500
Dried skimmed milk	950.02	5,000
Dried whole milk	950.03	1,000
Dried cream	950.04	250
Butter	950.05	1,000
Blue-mold cheese	950.07	5,000
Cheddar cheese	950.08A	10,000
American-type cheese	950.08B	10,000
Natural Edam and Gouda cheese ..	950.09A	7,000
Processed Edam and Gouda cheese ..	950.09B	5,000
Italian-type cow's milk cheese in original loaves	950.10	5,000
Italian-type cow's milk cheese in other than original loaves	950.10A	5,000
Swiss or Emmentaler cheese with eye formation	950.10B	10,000
Swiss or Emmentaler cheese other than eye formation	950.10C	10,000
"Gruyere-Process" cheese	950.10D	40,000
"Other" cheese, NSPF	950.10E	10,000
"Other" cheese, "low fat"	950.11	250
Malted milk		

(2) A person with his or her affiliate(s) and associate(s) will be considered only as one person for the purpose of allocation of nonhistorical quota shares. A person with historical eligibility for an article in Appendix 1 or Appendix 2 may not qualify for a nonhistorical quota share for the same article in Appendix 1, except where nonhistorical eligibility for a particular article was established and maintained prior to the awarding of Appendix 2 historical eligibility.

(3) A nonhistorical quota share (referring only to articles in Appendix 1) will be determined on the following basis:

(i) If, after applications for nonhistorical eligibility for a quota year have been evaluated, the Licensing Authority determines that the number of eligible applicants who held a nonhistorical license for an article in Appendix 1 from a particular country of origin during the previous quota year *exceeds* the number which could be issued a quota share at the minimum quantity set forth above, the Licensing Authority will determine the quota shares by dividing the amount available by the number of such eligible applicants.

(ii) If the Licensing Authority determines that the number of eligible applicants for a quota year who held a nonhistorical license for an article from a particular country of origin during the previous year plus the number of eligible applicants who did not hold a nonhistorical license for such article from such country of origin during such year is *less* than the number which could be issued a quota share at the minimum quantity, the Licensing Authority will determine the quota shares by dividing the amount available by the number of such eligible applicants, subject to provisions in § 6.26 (b)(4).

(iii) If the number of eligible applicants for a quota year who held a nonhistorical license for an article from a particular country of origin during the previous year plus the number of eligible applicants who either did not hold a nonhistorical license for such article from such country of origin during such year or did not hold any nonhistorical license for such article *exceeds* the number which could be issued a quota share at the minimum quantity, the Licensing Authority will first issue quota shares at the minimum quantity to each of the eligible applicants who held a nonhistorical license for such article from that particular country of origin during the previous year, secondly, issue quota shares at the minimum quantity to

eligible applicants who held a nonhistorical license for such article from a different country of origin during the previous year, and thirdly, issue quota shares at the minimum quantity to eligible applicants who did not hold a nonhistorical license for such article during the previous year, until all available quota shares are issued. Selection of eligible applicants in the latter two groups shall be made on the basis of the date of postmark of the application received pursuant to § 6.24 of the regulation.

(4) Subject to paragraph (b)(3)(i) of this section, quota shares for an article may not be smaller than the applicable minimum quantity set forth above unless requested in writing by the applicant, but in no case shall the quota share be greater than the quantity requested by the applicant.

(c) *Supplementary Licenses* (pertaining only to articles in Appendix 2):

(1) A person with his or her affiliate(s) and associate(s) will be considered only as one person for the purpose of allocation of supplementary quota shares. No more than one supplementary quota share of an article from each specific country of origin listed for such article in Appendix 2 will be issued to any such person. No licensee with a historical license for a particular article in Appendix 2 from a particular country of origin, however, may receive more than one supplementary share in addition to the matching supplementary share(s) for such article for which such person is eligible under paragraph (c)(2)(i) of this section. However, in cases where the Licensing Authority deems it necessary to make additional allocations in order to fully allocate a quota, such additional allocations may only be made after all eligible persons have been notified and given an opportunity to apply. Such notification will not be necessary for the reallocation of surrendered licenses covered by paragraph (e)(3) of this section.

(2) A supplementary quota share for an article in Appendix 2 from the EC will be determined on the following basis:

(i) Subject to paragraph (c)(1) of this section, the size of supplementary quota share issued to an eligible applicant for a specific article in Appendix 2 shall not exceed (A), for applicants who have historical quota shares in Appendix 2 from the EC for such article: An amount equal to the amount of the applicant's Appendix 2 historical quota share, or, to the extent practicable, the difference between the applicant's Appendix 2 historical quota share for such article and the amount of each supplementary

quota share for such article allocated to applicants who have no Appendix 2 historical quota share for such article, whichever is larger; (B), for applicants who have no such historical quota shares: 110,000 pounds.

(ii) If, after applications for supplementary licenses have been evaluated and tabulated, the Licensing Authority determines that eligible applicants for shares of a particular quota for an article in Appendix 2 from the EC have appropriately requested amounts which together exceed the amount available for allocation, the Licensing Authority shall first assign quota shares of not less than the minimum share as indicated below to each applicant and then pro-rate the remaining portion of that available for allocation among them, based on each applicant's basic annual allocation for such quota in Appendix 2 from the EC, or on the minimum share assigned, whichever is greater. The minimum share shall be as follows:

(A) 5,000 pounds where the total poundage available for supplementary licenses is less than 500,000 pounds;

(B) 20,000 pounds where the total poundage available for supplementary licenses is over 500,000 pounds but less than 1,000,000 pounds;

(C) 36,000 pounds where the total poundage available for supplementary licenses is over 1,000,000 pounds.

(iii) If, after applications for supplementary licenses have been evaluated and tabulated, the Licensing Authority determines that the number of eligible applicants for a share of a quota for a particular article in Appendix 2 from the EC exceeds the number which could be assigned the minimum share each, the Licensing Authority may eliminate individual applications based on date of postmark and then, where necessary, other fair and equitable criteria. A single quota share for a particular article of less than the minimum may be issued, if appropriate, to facilitate full allocation of a particular quota.

(3) A supplementary quota share for an article in Appendix 2 from a particular country of origin other than the EC will be determined on the following basis:

(i) Eligible applicants whose applications have been endorsed in writing by an appropriate official of the government of the supplying country, which written endorsement is submitted directly from such government through appropriate channels to the Licensing Authority, shall receive first priority in allocation. Written endorsements shall also include the names and addresses of applicants endorsed and the quota

article(s), including the amount(s), endorsed for each such applicant.

(ii) To the extent practicable, an eligible applicant whose application has been endorsed by the government of the supplying country as set forth in paragraph (c)(3)(i) of this section shall be awarded the full amount for which he or she has been endorsed. If eligible applicants whose applications have been endorsed by the government of the supplying country as set forth in paragraph (c)(3)(i) of this section request an aggregate amount of a specific quota from a specific country (not the EC) smaller than is available for allocation, or if no endorsement is made, the Licensing Authority shall allocate remaining portions among applicants who have not been endorsed, following a procedure identical to that set forth in paragraph (c)(2) of this section for the EC, replacing, for this purpose, the words "the EC" wherever they appear with "a particular non-EC country."

(iii) If an endorsed licensee surrenders his or her endorsed quota share, or a portion thereof, under the provisions of paragraph (d)(2) of this section, the endorsing country may, by a new written endorsement, designate another importer for such portion or share.

(d) *Temporary reduction of historical quota share.* (1) Subject to provisions of paragraph (e) of this section, the historical quota share for any article in Appendix 1 or Appendix 2, which is not entered by its holder at the rate of 85 percent or more during a calendar year will be reduced in the following quota year, unless such licensee establishes that he or she was unable to enter such article due to reasons acceptable to the Licensing Authority. Such reduced historical quota share will be equal to the amount imported during the preceding quota year. *Provided, That,* once such reduced quota share has been established, the quota share of the licensee in the following quota year will be restored to its full basic annual allocation if the licensee enters 85 percent or more of the reduced quota share during the quota year when it was established.

(2) Notwithstanding the above, a licensee may, in a letter postmarked no later than October 1 of a quota year, voluntarily surrender without penalty that portion of a historical quota share for any article in Appendix 1 or Appendix 2 which he or she does not intend to use. Any temporary reduction of a historical quota share will be based on the percentage used of that portion of such quota share which was not surrendered before October 1 of the preceding quota year.

(e) *Temporary reallocation of quota shares.* (1) Notwithstanding any other provisions of this regulation, to the extent that, between June 1 and October 1, it appears from information submitted to the Licensing Authority or otherwise, that all or part of a quota share of a particular licensee for an article from a particular country of origin will not be entered during that quota year, the Licensing Authority may require such licensee to submit in writing within a specified 21 day period a statement as to the amount of the unused portion of such quota share which will be used during the remainder of such quota year. In addition, such licensee may be required to submit copies of contracts, purchase orders or any other documentary evidence of intent to import against the unused portion of such quota share. If the licensee fails to submit such statement (including documentary evidence, if requested) within the specified period, the Licensing Authority may conclude that the unused portion of the quota share in question will not be used during the remainder of said quota year. On the basis of said statement, or if no statement is submitted, the Licensing Authority may reallocate all or part of the unused portion of such quota share.

(2) To the extent that the quota shares or portions thereof are surrendered under § 6.25(d)(3) (pertaining to nonhistorical and supplementary quota shares), § 6.26(d)(2), (pertaining to historical quota shares), or paragraph (e)(1) of this section by licensees for articles during a quota year, the quota shares for other licensees will be increased for such year as follows:

(i) Reallocation will be made among applying licensees from such article from such country of origin on the basis of the amounts requested by the applicants, unless the aggregate of the amounts requested exceeds the portion of the quota available for reallocation, in which case each applicant will be granted an appropriate minimum amount and any excess will then be allocated on the basis of the respective amounts of such articles entered by such licensees from such country of origin during the previous two quota years. However, no applicant may receive more than the amount he or she requests.

(ii) If, after a surrendered quota share is reallocated among licensees who hold a nonreduced license for such quota and apply for a portion of the reallocation, unallocated quantities of the quota still remain, such quantities may be allocated to other non-affiliated and non-associated applicants who have

historical or nonhistorical eligibility for any quota under the regulation for the remainder of the quota year in question. Quota shares allocated to such other applicants under this provision will be made in equal amounts of not less than 2,500 pounds each; except in the case of quota items the quota amounts for which are less than 10,000 pounds, which quota items will be allocated in equal shares of not less than 250 pounds each; except that no applicant will receive more than the amount requested in his or her application.

(3) Application for a reallocated portion will not be valid unless made in accordance with § 6.24 and postmarked during the period September 1-15 of the quota year in which reallocation is being considered.

(4) Any temporary reduction in a historical quota share (in accordance with paragraph (d) of this section) will be based on the percentage used of the portion of such quota share which was not surrendered for reallocation during the preceding quota year.

(f) *Interim Appendix 2, 1980 Historical Licenses.* The Licensing Authority may, where deemed necessary by the Licensing Authority issue partial interim 1980 licenses for an article from a particular country in Appendix 2, particularly to persons who have no Appendix 1 license for such article from such country. *Provided*, That such licenses are issued on the basis of documents submitted pursuant to notice in the Federal Register of August 16, 1979 (44 FR 47969), and the amounts issued are deducted from the final 1980 Appendix 2 licenses for such article from such countries.

§ 6.27 Use of licenses.

(a) The article entered must be a product of the country of origin specified in the license under which it is entered.

(b) Subject to § 6.30, a quota share may be imported from only one country of origin.

(c) Notwithstanding any other rules, regulations, or procedures for the importation of goods, the article entered under license may be entered or withdrawn from warehouse only in the name of the licensee either by the licensee or by the licensee's agent acting in the licensee's name under the power of attorney, and the quantity so entered must, on the date of entry, be owned by the licensee and must be charged against the license in effect. The article entered under license must be accompanied by:

(1) an invoice from a seller in the country of origin to a purchaser in the United States and a through bill of

lading from the country of origin to the United States, or,

(2) if the seller is not located in the country of origin, a through bill of lading from the country of origin to the United States and a certificate of origin issued in the country of origin which shall indicate the United States as the destination of the merchandise and state the quantity and description of the merchandise in the shipment. *Provided*, That, these requirements as well as those in paragraph (c)(1) of this section may be temporarily waived by the Licensing Authority upon his or her determination that compliance therewith, during periods of strikes, lockouts, or other such emergencies, affecting the importation of articles would interfere with the entry of such articles.

(d) In the event of a sale in transit, an article may be entered for consumption under a license issued to an authorized person to whom the sale has been made against a properly endorsed through bill of lading and a certified copy of the bill of sale from the original consignee showing the amount paid, the date of purchase, and the licensee as the owner of the article at such time.

(e) In the event of the loss of the original through bill of lading, a carrier's certificate showing the licensee as consignee and certifying that the shipment is a through shipment may be substituted therefor.

(f) An article may be entered from bonded warehouse only in the manner prescribed above for consumption entries. In the event of sale while in bonded warehouse, entry may be made under license issued to an authorized person or firm to whom the sale has been made and only upon the presentation of a properly endorsed Customs Form 7505 and a certified copy of the bill of sale, showing the amount, date of sale, and that the licensee is the owner of the article at such time.

(g) Consolidated entries or withdrawals from warehouse for consumption may not be made except with the written approval of the Licensing Authority.

(h) Each entry or withdrawal from warehouse for consumption must be accompanied by a copy of Customs entry Form 7501 or Customs warehouse withdrawal Form 7505 (with the appropriate license number noted on it), required through bill of lading and required invoice. The Customs Service will stamp the copy of the completed form 7501 or 7505 with the date of entry and the Customs entry or withdrawal number and submit it to the Licensing Authority as soon as practicable.

§ 6.28 Records and inspection.

Any person making an entry, except as provided in § 6.23, of an article listed in either Appendix 1 or Appendix 2 is required to retain all records, including invoices of all purchases, entries, withdrawals, sales and deliveries of such articles for a period of not less than 2 years subsequent to the end of the quota year during which entry was made. The Licensing Authority or his or her designee is entitled to make such audit and inspection of such records, to inspect the premises and stocks of articles of such person, and to make such other investigations as may be necessary or appropriate in the enforcement or administration of the regulation.

§ 6.29 Suspension or revocation of eligibility.

(a) *Failure to import quota share—(1)* If the Licensing Authority has reason to believe that a person with a historical quota share for any article has failed to enter any of such article for two consecutive quota years, or three nonconsecutive quota years within a five year period, the eligibility of such person for a historical license to enter such article will be suspended for the following quota year pending receipt by the Licensing Authority of documentary evidence of entry against such quota share during one or more of said years, unless the reason for failure to enter is acceptable to the Licensing Authority and an application to receive a license to import such article is received and approved by the Licensing Authority no later than 3 months after the beginning of such following quota year.

(2) If the Licensing Authority determines that a person with a historical quota share for any article has failed to import any of such article during two consecutive years, or three non-consecutive years within a five year period, the eligibility of such person will be revoked unless the licensee establishes that he or she was unable to import such article due to extraordinary circumstances acceptable to the Licensing Authority.

(b) *Violations of the regulation—(1)* *Charge against licenses.* Any quantity of an article entered by any person contrary to this regulation may be charged against any unused import license held by, or to be issued to, such person.

(2) *Civil and criminal liability.* Any person who violates any provision of the regulation may be prosecuted under any and all applicable laws. Civil action may also be instituted to enforce any liability or duty created by, or enjoin any violation of any provision of, the

regulation or requirement pursuant hereto.

(3) *Revocation of license eligibility.* The Licensing Authority, upon reasonable cause to believe—after records are reviewed and a preliminary investigation is made by the Department—that a licensee has violated the provisions of the regulation or has furnished false or incomplete information in connection with the application for or use of licenses issued hereunder, may, after notice to the licensee, revoke said licensee's eligibility (a permanent revocation of historical eligibility) and may bar such person from receiving any supplementary or nonhistorical licenses for a period of not more than three years. Any person whose eligibility has been revoked pursuant to provisions of this section will have the opportunity to appeal the determination to the Administrator, Foreign Agricultural Service (FAS), or his designee within 30 days from the date of notification. The request for reconsideration will be presented in writing separately stating any reason as to why such determination should not stand. The Administrator, FAS will provide such person with an opportunity for a hearing on such matter.

§ 6.30 Adjustment of countries of origin.

(a) Upon submission by a licensee of proof satisfactory to the Licensing Authority that said licensee will be unable to enter during a quota year his or her quota share of an article from the country of origin specified in his or her license, the Licensing Authority or his or her designee may authorize the licensee and other licensees similarly situated after taking due account of any special factors which may have affected or may be affecting the trade in the article concerned, to obtain the unfilled portion of their quota shares of such article from:

(1) Other countries specified in Part 3 of the Appendix to the Tariff Schedules of the United States as countries of origin for such article;

(2) Any country of origin (global) whenever countries of origin for such article are not specified.

(b) In the event that it is shown to the satisfaction of the Licensing Authority that the country of origin discriminates against a licensee as to either price or availability of an article, the Licensing Authority shall not impose any penalties with respect to failure to use 85% or more of his or her quota share during such quota year and/or the Licensing Authority may adjust the country of origin.

§ 6.31 Delegation of Authority.

The powers vested in the Administrator, FAS, insofar as such powers relate to the functions vested in the Licensing Authority by this regulation are hereby delegated to the Licensing Authority.

§ 6.32 Superseding of Import Regulation 1, Revision 6.

This regulation will supersede the provisions of Import Regulation 1, Revision 6, as amended, heretofore in effect. With respect to violations, rights accrued, liabilities incurred, or appeals taken concerning Import Regulation 1, as amended and revised, prior to the effective date hereof, all provisions of said Import Regulation 1, as amended and revised, in effect at the time when such violations occurred, rights accrued, liabilities incurred, or appeals taken will be deemed to continue in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right, liability, or appeal.

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Subtitle A--Office of the Secretary of Agriculture

Appendix 1-Articles¹ subject to the historical and nonhistorical licensing provisions of Import Regulation 1, Revision 7, and respective annual Import Quotas for each Quota year

Article ¹ by TSUS item number	Annual historical/ nonhistorical quota (kilograms)	Equivalent Whole Pounds
Group I:		
(a) Butter (Item 950.05).....	320,693	707,000
EC.....	96,162	212,000
New Zealand.....	150,594	332,000
Other countries.....	73,936	163,000
(b) Dried cream (Item 950.04).....	226	500
(c) Malted milk (Item 950.11).....	2,721	6,000
(d) Dried whole milk (Item 950.03).....	3,175	7,000
(e) Dried skimmed milk (Item 950.02).....	819,649	1,807,000
(f) Dried buttermilk and whey (Item 950.01)..	224,984	496,000
Group II:		
(a) Edam and Gouda cheese (Item 950.09A).....	4,177,001	9,208,615
EC.....	4,011,000	8,842,650
Argentina.....	125,000	275,575
Sweden.....	41,000	90,388
Other countries.....	1	2
(b) Cheese and substitutes for cheese containing, or processed from Edam and Gouda cheese (Item 950.09B).....	1,429,000	3,150,373
EC.....	1,237,000	2,727,090
Norway.....	167,000	368,168
Other Countries.....	25,000	55,115
(c) Blue-mold cheese (except Stilton made in England), and cheese and substitutes for cheese containing or processed from Blue-mold cheese (Item 950.07).....	2,257,001	4,975,784
EC.....	2,255,000	4,971,373
Argentina.....	2,000	4,409
Other countries.....	1	2

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Appendix 1-Import Regulation 1, Revision 7

Group III:

(a) Cheddar cheese, and cheese and substitutes for cheese containing or processed from		
Cheddar cheese (Item 950.08A).....	3,667,889	8,086,226
EC.....	263,000	579,809
Australia.....	769,000	1,695,337
New Zealand.....	2,496,000	5,502,681
Other Countries.....	139,889	308,399
(b) American-type cheese, including Colby, washed curd, and granular cheese (but not including cheddar) and cheese and substitutes for cheese containing, or processed from such		
American-type cheese (Item 950.08B).....	2,708,556	5,971,281
EC.....	254,000	559,968
Australia.....	762,000	1,679,905
New Zealand.....	1,524,000	3,359,810
Other Countries.....	168,556	371,598

Group IV:

(a) Italian-type cheeses made from cow's milk, in original loaves. (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, Sbrinz) (Item 950.10).....		
EC.....	4,863,001	10,720,968
Argentina.....	1,763,000	3,886,709
Other Countries.....	3,100,000	6,834,260
	1	2
(b) Italian-type cheeses made from cow's milk, not in original loaves (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, Sbrinz, and Goya) and cheese and substitutes for cheese containing, or processed from, such Italian-type cheeses, whether or not in original loaves (Item 950.10A).....		
EC.....	671,000	1,479,285
Argentina.....	47,000	103,616
Other Countries.....	611,000	1,347,010
	13,000	28,659

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Appendix 1-Import Regulation 1, Revision 7

Group V

(a) Swiss or Emmenthaler cheese with eye formation (Item 950.10B).....		
EC.....	9,260,276	20,415,204
Austria.....	1,767,000	3,895,528
Finland.....	3,729,000	8,220,953
Israel.....	2,772,000	6,111,151
Norway.....	27,000	59,524
Switzerland.....	758,000	1,671,086
Other Countries.....	122,000	268,961
	85,276	187,999
(b) Swiss or Emmenthaler cheese other than with eye formation. Gruyere-process cheese; and cheese and substitutes for cheese containing, or processed from such cheese (Item 950.10C).....		
EC.....	5,061,833	11,159,314
Austria.....	2,478,000	5,462,998
Finland.....	638,000	1,406,534
Portugal.....	728,000	1,604,948
Switzerland.....	125,000	275,575
Other Countries.....	1,013,000	2,233,259
	79,833	176,000
(c) Cheese and substitutes for cheese provided for in Items 117.75 and 117.85, part 4C, schedule 1 (except cheese not containing cow's milk; cheese, except cottage cheese, containing 0.5 percent or less by weight of butterfat), and articles within the scope of other import quotas provided for in Part 3 of the Appendix to the Tariff Schedules of the United States (Item 950.10D).....		
EC.....	18,392,859	40,548,891
Austria.....	10,621,000	23,415,056
Canada.....	90,000	198,414
Finland.....	1,141,000	2,515,448
Iceland.....	562,000	1,238,985
Israel.....	294,000	648,152
New Zealand.....	66,000	145,503
Norway.....	3,427,000	7,555,164
Poland.....	150,000	330,690
Portugal.....	936,224	2,063,999
Sweden.....	103,000	227,073
Switzerland.....	774,000	1,706,360
Other Countries.....	98,000	216,050
	130,635	287,997

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- (d) Cheese and substitutes for cheese,
containing 0.5 percent or less by weight
of butterfat, as provided for in items
117.75 and 117.85 of subpart C, Part 4,
schedule 1, except articles within the
scope of other import quotas provided for
in Part 3 of the Appendix to the Tariff
Schedules of the United States

(Item 950.10E).....	4,008,001	8,836,038
EC.....	3,777,000	8,326,774
Australia.....	56,000	123,457
Poland.....	175,000	385,805
Other Countries.....	1	2

Subtitle A--Office of the Secretary of Agriculture

Appendix 2-Articles¹ subject to the historical and nonhistorical licensing provisions of Import Regulation 1, Revision 7, and respective annual Import Quotas for each Quota year

Article ¹ by TSUS item number	Annual historical/ nonhistorical quota (kilograms)	Equivalent Whole Pounds
Group II:		
(c) Blue-mold cheese (except stilton made in England), and cheese and substitutes for cheese containing, or processed from Blue-mold cheese (Item 950.07)		
EC.....	224,000	493,830
Group III:		
(a) Cheddar cheese, and cheese and substitutes for cheese containing, or processed from Cheddar cheese (Item 950.08A).....	1,035,000	2,281,760
New Zealand.....	604,000	1,331,578
Australia.....	431,000	950,182
(b) American-type cheese, including Colby, washed curd, and granular cheese (but no including Cheddar) and cheese and substitutes for cheese containing, or processed from such American-type cheese (Item 950.08B)....	714,000	1,574,083
New Zealand.....	476,000	1,049,389
Australia.....	238,000	524,694
Group IV:		
(a) Italian-type cheese made from cow's milk, in original loaves. (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, Sbrinz) (Item 950.10)		
Argentina.....	750,000	1,653,450

See footnotes at the end of table.

Subtitle A--Office of the Secretary of Agriculture
Appendix 2-Import Regulation 1, Revision 7

(b) Italian-type cheeses made from cow's milk, not in original loaves (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, Sbrinz, and Goya) and cheese and substitutes for cheese containing, or processed from, such Italian-type cheeses, whether or not in original loaves (Item 950.10A)		
Argentina.....	32,000	70,547

Group V

(a) Swiss or Emmenthaler cheese with eye formation (Item 950.10B).....		
EC.....	22,595,000	49,812,934
Argentina.....	4,233,000	9,332,071
Austria.....	80,000	176,368
Australia.....	2,551,000	5,623,934
Canada.....	500,000	1,102,300
Finland.....	70,000	154,322
Iceland.....	5,428,000	11,966,568
Norway.....	300,000	661,380
Switzerland.....	6,125,000	13,503,175
	3,308,000	7,292,816
(b) Swiss or Emmenthaler cheese other than with eye formation. Gruyere-process cheese; and cheese and substitutes for cheese containing, or processed from such cheese (Item 950.10C).....		
EC.....	2,013,000	4,437,859
Austria.....	1,022,000	2,253,101
Finland.....	282,000	621,697
Switzerland.....	272,000	599,651
	437,000	963,410
(c) Cheese and substitutes for cheese provided for in Items 117.75 and 117.85, part 4C, schedule 1 (except cheese not containing cow's milk; cheese, except cottage cheese, containing 0.5 percent or less by weight of butterfat), and articles within the scope of other import quotas provided for in Part 3 of the Appendix to the Tariff Schedules of the United States (Item 950.10D).....		
EC.....	22,518,000	49,643,180
Argentina.....	9,379,000	20,676,943
Australia.....	100,000	220,460
Austria.....	1,050,000	2,314,830
	560,000	1,234,576

Subtitle A-Office of the Secretary of Agriculture
Appendix 2-Import Regulation 1, Revision 7

Finland.....	738,000	1,626,994
Iceland.....	29,000	63,933
Israel.....	607,000	1,338,192
New Zealand.....	7,895,000	17,405,317
Portugal.....	353,000	778,223
Sweden.....	285,000	628,311
Switzerland.....	1,522,000	3,355,401

- (d) Cheese and substitutes for cheese, containing 0.5 percent or less by weight of butterfat, as provided for in items 117.75 and 117.85 of subpart C, Part 4, schedule 1, except articles within the scope of other import quotas provided for in Part 3 of the Appendix to the Tariff Schedules of the United States

(Item 950.10E).....	1,717,000	3,785,298
EC.....	223,000	491,625
Australia.....	194,000	427,692
Israel.....	50,000	110,230
New Zealand.....	1,000,000	2,204,600
Sweden.....	250,000	551,150

1/ Each time a particular TSUS Item No. is referred to in this Appendix, it includes all the articles classified under that item number in Part 3 of the Appendix to the Tariff Schedules of the United States except where specifically otherwise provided in the article description.

(Sec. 3, 62 Stat. 1248, as amended (7 U.S.C. 624); part 3 of the Appendix to the Tariff Schedules of the United States (9 U.S.C. 1202)

This final rule has been reviewed under the USDA criteria established to implement Executive Order 12044, "Improving Government Regulations". A determination has been made that this action should not be classified "significant" under those criteria. A

Final Impact Statement has been prepared and is available from Carol M. Harvey, Head Dairy and Import Group, CP, Room 6616, South Building, Department of Agriculture, Washington, D.C. 20250.

Signed the 18th day of December, 1979.
Thomas R. Hughes,
Administrator, Foreign Agricultural Service.
[FR Doc. 79-39142 Filed 12-19-79; 8:45 am]
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Tuesday, May 20, 1980

7 CFR Part 6**Section 22 Import Quotas; Certain Dairy Products; Correction.****AGENCY:** Foreign Agricultural Service, USDA.**ACTION:** Correction and clarification to final rule.

SUMMARY: This corrects and clarifies the final rule of Import Regulation 1, Revision 7, which was published in the Federal Register on December 20, 1979 (44 FR 7594).

FOR FURTHER INFORMATION CONTACT: Carol M. Harvey, Head, Dairy and Import Group, Dairy, Livestock and Poultry Division, CP, Foreign Agricultural Service, Room 6624, South Building, Department of Agriculture, Washington, DC 20250, (202) 447-5270.

SUPPLEMENTARY INFORMATION: The corrections and clarifications to the final rule are, with one exception, eliminations of errors both typographical and grammatical, and in one case, the correction of a mistaken reference. One clarification (number 2 below) eliminates a direct contradiction in the regulation. Section 6.26(a)(3) currently prohibits any licensee from receiving a license for Group V Appendix 2 cheese larger than his or her base period imports while § 6.26(a)(4) provides for a clear exception to this prohibition. The provisions of § 6.26(a)(4) as well as the provisions of § 6.26(a)(3) as corrected, have been followed by the Licensing Authority in the allocation of 1980 licenses. The clarification found in this document is designed to eliminate any confusion on this matter.

In FR Doc. 79-39142, appearing at page 75594 of the Federal Register of Thursday, December 20, 1979, the following corrections should be made:

§ 6.25 [Corrected]

1. On page 75599, the reference in the last line of § 6.25(d)(4) is corrected by deleting "§ 6.26(b)(2) (ii) and (iv)" and inserting in lieu thereof "§ 6.26(b)(3)(i)".

§ 6.26 [Corrected]

2. On page 75599, insert the words ", except as provided in paragraph (a)(4) below," in § 6.26(a)(3) between the words "and no licensee" and the words "may receive a historical quota share".

§ 6.26 [Corrected]

3. On page 75600 delete the word "other" in the middle of § 6.26(a)(6) and insert in lieu thereof the word "another".

Appendix 2 [Corrected]

4. On page 75608, change the heading over the column for quota amounts in kilograms in Appendix 2 from "Annual Historical/nonhistorical quota" to "Annual historical/supplementary quota".

(Sec. 3, Pub. L. 80-897, 62 Stat. 1248, as amended (7 U.S.C. 624); Secs. 701, 703, Pub. L. 96-39, 93 Stat. 268, 272 (19 U.S.C. 1202 note); Part 3 of the Appendix to the Tariff schedules of the United States (19 U.S.C. 1202))

Signed this 15th day of May, 1980.

Thomas R. Hughes,

Administrator, Foreign Agricultural Service.

[FR Doc. 80-15463 Filed 5-19-80; 8:45 am]

BILLING CODE 3410-10-M

Rules and Regulations

Federal Register

Vol. 45, No. 160

Friday, August 15, 1980

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510. The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

DEPARTMENT OF AGRICULTURE

Foreign Agricultural Service

7 CFR Part 6

Section 22 Import Quotas: Certain Dairy Products

AGENCY: Foreign Agricultural Service, USDA.

ACTION: Final rule.

SUMMARY: This rule amends Import Regulation I which governs the administration of an import licensing system for certain dairy products subject to quota under the authority of Section 22 of the Agricultural Adjustment Act of 1933, as amended. The amendments in this final rule will (1) eliminate certain inconsistencies between Presidential Proclamation 4708 (December 11, 1979) and the regulation in its present form and (2) provide authority to grant nonhistorical licenses to certain persons who did not receive quota shares for Other Cheese, NSPF, from Canada as a result of the confusion surrounding the elimination of the "pricebreak" system.

EFFECTIVE DATE: August 16, 1980.

FOR FURTHER INFORMATION CONTACT: Carol M. Harvey, Head, Dairy and Import Group, Dairy, Livestock and Poultry Division, CP, FAS, Room 6624, South Building, Department of Agriculture, Washington, D.C. 20250 (202) 447-5270. The Final Impact Statement describing the options considered in developing this final rule and the impact of implementing each option is available on request from Carol M. Harvey.

SUPPLEMENTARY INFORMATION: This final action has been reviewed under USDA procedures established in Secretary's Memorandum 1955 to implement Executive Order 12044 and

has been classified "not significant". Further, it has been determined by Rolland E. Anderson, Director, Dairy, Livestock and Poultry Division, FAS, that good cause exists for not postponing the effective date of these final rules until 30 days after publication in the Federal Register (5 U.S.C. 553). This situation exists because the first change made herein is simply for purposes of clarification and the second change requires immediate implementation if it is to provide importers affected with the opportunity to make importations during 1980. More specifically, since it will take several weeks before allocations can actually be made, if an additional month must elapse before the rule authorizing such allocations can take effect, it would be very near the end of the 1980 quota year.

With respect to the second change, it has been determined after review of the documents previously submitted by the concerned importers as specified in § 6.26(b)(5)(ii) of the proposed rule that the minimum base-period importation required for license eligibility shall be 5,000 pounds rather than the 10,000 pounds provided in the proposed rule.

The proposed rule amending Import Regulation I was published in the Federal Register on May 20, 1980. A 30-day public comment period ended on June 21, 1979. Written comments were received from only a few entities.

Discussion of Comments

Two comments dealt with the proposal to eliminate Canada from participation in the "Other Countries" category in Group III(a) of Appendix I. It was proposed that this be done by amending the definition of "Other Countries" in § 6.21(t) in order to bring it into line with Presidential Proclamation 4708. After considering both comments the Department has decided to finalize the proposal. It should be noted, however, that under the provisions of Section 6.30(a), Canada will not be excluded from being a source country under Group III(a) Appendix I in the event of a country of origin adjustment under that category.

Three comments were received concerning the proposal to authorize the allocation of nonhistorical quota shares to traditional importers of above pricebreak Other Cheese, NSPF, from Canada—one positive, two negative. The negative comments addressed the

"fairness" of granting traditional importers of above pricebreak Other Cheese, NSPF, from Canada a nonhistorical license for 1980 from Appendix I.

In the judgment of the Department there are three reasons which suggest that this resolution is eminently fair. First, Revision 6 of Import Regulation I established an August 1–November 1 application period for licenses to import items during the year following the year in which application was made. Revision 6 remained in effect until December 21, 1979, the effective date for the present regulation found in Revision 7. Importers who imported exclusively above the pricebreak were not covered by Revision 6 and thus were not required to apply for a license to import until Revision 7 became effective, almost two months after the last day for the submission of applications for 1980 licenses to import items in Appendix I. Second, since these same importers had never before been exposed to the licensing system, they have no real knowledge of the fact that the proposed rules published in October were designed to bring them within the licensing system. And third even if an importer was aware of the license application period because of importations above as well as below the pricebreak, it would have been virtually impossible to know before the end of the application period that there would be no Appendix II quota for Other Cheese, NSPF, from Canada and that, therefore, as of 1980 such cheese could only be imported with a nonhistorical license. The first authoritative indication to this effect did not appear until Presidential Proclamation 4708 was published on December 13, 1979. As with Revision 7 of Import Regulation I, this occurred weeks after the last day for making application for 1980 licenses.

Importers of Other Cheese, NSPF, from Canada affected by the second change should take note of the fact that there will be a 30-day application period beginning August 16, 1980. All documents required (if not already submitted) under the provisions of § 6.26(b)(5)(i) for 1980 nonhistorical quota entitlement for Other Cheese, NSPF, from Canada must be postmarked no later than (31 days after publication in the Federal Register). Licenses will be issued as soon as possible after the end of this application period.

Accordingly 7 CFR, Part 6—Subpart
Section 22 Import Quotas, § 6.21 and
§ 6.26 are amended as follows:

§ 6.21 [Amended]

1. Section 6.21(t) is amended by deleting the words "Appendix 1 or Appendix 2" and inserting in lieu thereof the words "part 3 of the Appendix to the Tariff Schedules of the United States."

§ 6.26 [Amended]

2. Section § 6.26(b) is amended by adding a new paragraph (5) to read as follows:

* * * * *

(b) * * *

(5) Notwithstanding any other provision of this regulation, a person who is not eligible for a historical license in excess of one percent of the total quota for an article in Group V of Appendix 1 from a country which has a Group V quota in Appendix 1, but has no such quota in Appendix 2, will be eligible to obtain a nonhistorical license to enter a quota share of such article, if such person (i) submits to the licensing authority (a) documents required under paragraph (b)(2)(i) and (ii) of § 6.25, and (b) documents indicating the importation of 5,000 pounds or more of such article free of quota during the period July 1, 1978 through June 30, 1979, and (ii) had submitted previously either (a) Customs forms 7501 and 7505, as requested by the Department on August 16, 1979 (44 FR 47969), or (b) an application for a historical quota share for an article in Group V of Appendix 1: *Provided, That*, the allocation of such nonhistorical quota shares will not reduce the size of the nonhistorical quota shares previously allocated for 1980. All submissions required under § 6.26(b)(5)(i) must be postmarked no later than (31 days after publication in the Federal Register) to be eligible for a 1980 nonhistorical quota share.

(Sec. 3, Pub.L. 80-897, 62 Stat. 1248, as amended (7 U.S.C. 624); Secs. 701, 703, Pub.L. 96-39, 93 Stat. 268, 272 (A.U.S.C. 1202 note); Part 3 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202))

Signed this 12 of August, 1980.

Thomas R. Saylor,
Acting Administrator.

[FR Doc. 80-24942 Filed 8-14-80; 8:45 am]

BILLING CODE 3410-10-M

Rules and Regulations Federal Register

Vol. 45, No. 172

Wednesday, September 3, 1980

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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DEPARTMENT OF AGRICULTURE

Office of the Secretary

7 CFR Part 6

Section 22 Import Quotas; Certain Dairy Products.

AGENCY: Foreign Agricultural Service, USDA.

ACTION: Final rule.

SUMMARY: This rule amends Import Regulation 1 which governs the administration of an import licensing system for certain dairy products subject to quota under the authority of Section 22 of the Agricultural Adjustment Act of 1933, as amended. The amendments in this final rule are designed to more fully effectuate the original intent of the Department with respect to those persons who should be precluded from obtaining a license as a result of a close relationship to another person eligible for a license, as well as those persons who should be entitled to receive certain matching supplementary license shares notwithstanding actual affiliation or association with another person eligible for a license.

EFFECTIVE DATE: October 3, 1980.

FOR FURTHER INFORMATION CONTACT: Carol M. Harvey, Head, Dairy and Import Group, Dairy, Livestock and Poultry Division, CP, FAS, Room 6624, South Building, Department of Agriculture, Washington, D.C. 20250 (202) 447-5270. Actions of this kind were anticipated under the provision of 7 CFR Part 6—Subpart Section 22 Import Quotas, and were specifically considered in the Final Impact Statement describing the options

considered in developing this proposed rule and the impact of implementing each option is available on request from Carol M. Harvey.

SUPPLEMENTARY INFORMATION: This final action has been reviewed under USDA procedures established in Secretary's Memorandum 1955 to implement Executive Order 12044 and has been classified "not significant". The proposed rule amending Import Regulation I was published in the Federal Register, on May 20, 1980. A 60-day public comment period ended on July 21, 1980. A written comment was received from one entity.

Discussion of Comment

The comment received was supportive of the proposed amendments. The commentator agreed with our recognition and interpretation of managerial relationships and our correction of the rule to reflect its original intent with regard to affiliated or associated new historical licensees being permitted to apply for a matching supplementary share of the same article. Accordingly 7 CFR, Part 6—Subpart Section 22 Import Quotas, § 6.25 and § 6.26 are amended as follows:

§ 6.25 [Amended]

1. Section 6.25(b)(2)(i)(C) is amended by deleting the words "officer, member, partner," and ", or employee".

§ 6.26 [Amended]

2. Section 6.26(c)(1) is amended by inserting at the beginning of the first sentence the words "Except in cases involving persons with historical eligibility who are seeking matching supplementary shares authorized under paragraph (c)(1)(ii) of § 6.25".

(Sec. 3, Pub. L. 80-897, 62 Stat. 1248, as amended (7 U.S.C. 624); Secs. 701, 703, Pub. L. 96-39, 93 Stat. 268, 272 (19 U.S.C. 1202 note); Part 3 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202))

Signed this 12th of August, 1980.

Thomas R. Saylor,

Acting Administrator, Foreign Agricultural Service..

[FR Doc. 80-26818 Filed 9-2-80; 8:45 am]

BILLING CODE 3410-10-M

Rules and Regulations

Federal Register

Vol. 46, No. 4

Wednesday, January 7, 1981

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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DEPARTMENT OF AGRICULTURE

Office of the Secretary

7 CFR Part 6

Section 22 Import Quotas; Certain Dairy Products

AGENCY: Foreign Agricultural Service.

ACTION: Final rule.

SUMMARY: This rule amends Import Regulation 1, which governs the administration of an import licensing system for certain dairy products subject to quota under the authority of Section 22 of the Agricultural Adjustment Act of 1933, as amended. The amendments in this final rule are designed to: (1) assure that licensees holding a historical license for Italian-type cheese in original loaves (TSUS Appendix Item 950.10) from the European Community (EC) will receive their full basic annual allocation (BAA); (2) make the necessary changes as required by Presidential Proclamation 4811, and (3) make several changes which are necessary for consistency and clarity of the regulation and ease of operation of the licensing program.

EFFECTIVE DATE: January 8, 1981.

FOR FURTHER INFORMATION CONTACT:

Phillip J. Christie, Head, Import Licensing Group, Dairy, Livestock and Poultry Division, Commodity Programs, Foreign Agricultural Service, Room 6616, South Building, Department of Agriculture, Washington, D.C. 20250, (202) 447-5270. The Final Impact Statement describing the options considered in developing this final rule and the impact of implementing each option is available on request from the above named individual.

SUPPLEMENTARY INFORMATION: This final action has been received under USDA procedures established in

Secretary's Memorandum 1955 to implement Executive Order 12044 and has been classified as "not significant". Thomas Hughes, Administrator, Foreign Agricultural Service (FAS), has determined that good cause exists for not postponing the effective date of these final rules until 30 days after publication in the Federal Register (5 U.S.C. 553). Immediate implementation of these amendments is required in order to issue certain licenses for 1981 in accordance with the changes specified in the regulation.

The proposed rule amending Import Regulation 1 was published in the Federal Register (45 FR 70873) on October 27, 1980. The 30-day public comment period ended on November 28, 1980. Written comments were received from only a few entities.

Discussion Of Comments

Italian-type cheese from Argentina

One comment dealt with the shift of 91 tons of TSUS Appendix Item 950.10 (Italian-type cheese in original loaves) for Argentina from Appendix 2 [Group IV(a)] to Appendix 1 [Group IV(a)]. The commentator concurred with the shift which will assure that all historical licensees for that cheese will receive their full basic annual allocation.

Other Cheese-NSPF-Other Countries

Two comments dealt with the addition of 71 metric tons of TSUS Appendix Item 950.10D (Other Cheese-NSPF) for Other Countries under Group V(c) of Appendix 2. One objected to the addition of this amount to the allocated quota for this article, citing the heavy domestic surplus of dairy products and attendant government expenditures for Commodity Credit Corporation purchases under the Dairy Price Support Programs. Another comment supported the increase but seemed to object to the proposal to limit eligibility for the new historical part of the quota to those importers who have no other historical licenses, excluding some current licensees who might have brought in Other Cheese from Other Countries. Presidential Proclamation 4811 of December 30, 1980 provides for the additional quota of 71 tons. This additional amount will not cause imports to exceed the 111,000 metric tons permitted under the Trade Agreements Act of 1979 (Pub. L. 96-39; hereinafter called "the Act"). The

limitation on eligibility is necessary to fulfill the intent of the increased quota, i.e., to assure that those importers of "Other Cheese" from "Other Countries" completely shut out of their traditional cheese trade at the time the Act was implemented, receive reasonable quantities of new historical licenses.

An application period for both new historical and supplementary licenses for this quota is set forth in this final rule to begin on January 22, 1981. However, applications for new historical license for this item sent in anytime prior to February 11, 1981 which are deemed sufficient by the Department for license eligibility need not be resubmitted. Those importers whose applications for 1981 supplementary license are complete may apply by letter (without further documentation) dated no earlier than January 22, 1981 and no later than February 11, 1981.

Penalties for Less Than 85 Percent Utilization of Reallocation Quota Shares

Two comments were received with regard to the penalties proposed for nonuse of reallocated quota shares. One objected to the entire idea. The other approved of the principle of penalties but felt that the level of utilization required to avoid a penalty as well as the penalty itself were too restrictive given the relatively short time an importer has to use the reallocated share received. The Licensing Authority has taken these views into consideration, but has retained the proposed penalty in the final rule in an attempt to keep penalties as uniform and as simple as possible and to ensure maximum utilization of the quota. Comments were also received with regard to treating the reallocated shares allocated to all licenses—historical, non-historical and supplementary—in a like manner. This was the intent of the Licensing Authority as can be seen in the Draft Impact Analysis Statement and has thus been incorporated into the final rule in § 6.25, paragraph (d)(3).

Other

Presidential Proclamation 4811 has also resulted in a shift in Appendix 2 of 400 metric tons from TSUS Appendix Item 950.10D [Group V(c)] from Switzerland to TSUS Appendix Item 950.10C [Group V(b)] from the same country. New historical licenses will be

adjusted and all importers holding such licenses have been so advised.

This final rule differs from the proposed rule and the regulations in several places where changes were made for stylistic and editorial purposes. These changes are not substantive in nature and include for the most part reorganizing sentences within a section for improved readability and deleting obsolete material.

Accordingly 7 CFR, Part 6—Subpart Section 22 Import Quotas, § 6.21, § 6.25, § 6.26, § 6.29, and Appendices 1 and 2 are amended as follows:

1. Appendix 1 [Amended]

Group IV(a) is amended by changing the line for Argentina to read:

Argentina	3,191,000	7,034,878
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2. Appendix 2 [Amended]

Group IV(a) is amended by changing the line for Argentina to read:

Argentina	659,000	1,452,832
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Group V(b) is amended by changing the line for Switzerland to read:

Switzerland	837,000	1,845,238
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Group V(c) is amended as follows:

1. Change the line for Switzerland to read:

Switzerland	1,122,000	2,473,544
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2. Add the line:

Other Countries	71,000	156,526
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3. Section 6.21, paragraph (m) and (s) are revised to read as follow:

§ 6.21 Definitions

(m) "EC" means the ten European Community countries, viz., Belgium, Denmark, the Federal Republic of Germany, France, Greece, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom, which for the purposes of this regulation shall be deemed as one country of origin.

(s) "Licensing Authority" means the Head, Import Licensing Group, Dairy, Livestock and Poultry Division, Foreign Agricultural Service, U.S. Department of Agriculture, or in his or her absence the Import Quota Specialist, or any other officer or employee of the Department designated in writing as the Acting Head.

4. Section 6.25, paragraphs (a)(2), (c)(2), and (d)(3) are revised to read as follows:

§ 6.25 Eligibility.

(a) * * *

(2) Historical eligibility for licenses to enter quota shares of articles under Group V of Appendix 2, which prior to January 1, 1980 were not subject to quota, will be established upon submission by the importer of copies of

broker's copies of official consumption entry or warehouse withdrawal for consumption records, Customs forms 7501 and 7505, showing the applicant as the importer of record or importer of account for entries made during the period July 1, 1978 through June 30, 1979 of cheese, cheese product or substitutes for cheese falling under TSUS Nos. 117.6035 (Swiss or Emmenthaler), 117.6055, 117.7550, 117.8550 (Gruyere-Process), 117.7560, 117.8560 except soft-ripened cheese (Other cheese, NSPF, except soft-ripened cheese), and 117.7570 and 117.8570 (Other cheese, Lowfat). Copies of other than the broker's copy will only be accepted if it is established that, for reasons satisfactory to the Licensing Authority, the broker's copy is not available. The Licensing Authority may also require a copy of the invoice or other documentation showing that the importer was the owner of the article at the time entry was made and substantiating the type or variety of cheese entered. Such invoices should accompany an application for Appendix 2 historical licenses for TSUS items 117.7560 and 117.8560. Further, eligibility for articles in Group V(c) from "Other Countries" in Appendix 2 may be established only by importers who hold no other historical license for any article under Appendix 1 or Appendix 2 as of January 7, 1981. Applications for historical license for TSUS Appendix Item 950.10D from "Other Countries" in Appendix 2 must be postmarked no later than February 11, 1981.

(c) * * *

(2) Notwithstanding paragraph (b)(4) of this section, certification required to establish supplementary eligibility for license for TSUS Appendix item 950.10D from "Other Countries" for 1981 must be postmarked no earlier than January 22, 1981 and no later than February 11, 1981. Importers who have already submitted supplementary license certification during the application period which ended November 1, 1980, may simply request license for this article by submitting a letter without further documentation postmarked as required in this paragraph.

(d) * * *

(3) Any licensee who fails to enter at least 85 percent of a particular nonhistorical or supplementary quota share for any article for a given year will be ineligible to have such nonhistorical or supplementary quota share renewed for the next quota year, unless such licensee notifies the Licensing Authority in a letter postmarked no later than October 1 of

the quota year for which his license is valid, of his intentions to enter less than 85 percent of his quota share and surrenders to the Licensing Authority that portion of the quota share which he or she does not intend to use. If, after surrendering a portion of a nonhistorical or supplementary quota share of an article, a licensee fails to import 85 percent or more of the unsurrendered portion of the quota share, such licensee will be ineligible to receive a license to import a quota share of such article in the next quota year, unless the licensee establishes that he or she was unable to enter such article due to reasons acceptable to the Licensing Authority. Furthermore, failure to enter more than 85 percent of the total of a particular nonhistorical or supplementary quota share combined with any reallocated portions added to such original share (despite more than 85 percent utilization of the original share) will result in the licensee being ineligible for a reallocated portion for that item in the following year.

5. Section 6.26 is amended by revising paragraph (c)(2)(i), adding a new paragraph (c)(4) and revising paragraphs (d)(1) and (e)(2)(ii) to read as follows:

§ 6.26 Allocation of annual quota and issuance of licenses.

(c) * * *

(2) A supplementary quota share for an article in Appendix 2 from the EC will be determined on the following basis:

(i) Subject to paragraph (c)(1) of this section, the size of supplementary quota share issued to an eligible applicant for a specific article in Appendix 2 shall not exceed (A) for applicants who have historical quota shares in Appendix 2 from the EC for such article: an amount equal to the amount of the applicant's Appendix 2 historical quota share, or the amount of each supplementary quota share for such article allocated to applicants who have no Appendix 2 historical quota share for such article, whichever is larger; (B) for applicants who have no such historical quota shares: 110,000 pounds.

(4) Supplementary quota shares for an article may not be smaller than the applicable minimum quantity set forth in paragraph (c)(2)(ii) unless requested in writing by the applicant, but in no case shall the quota share be greater than the quantity requested by the applicant.

(d) *Temporary reduction of historical quota share.* (1) Subject to provisions of paragraph (e) of this section, the

historical quota share for any article in Appendix 1 or Appendix 2 which is not entered by its holder at the rate of 85 percent or more during a calendar year will be reduced in the following quota year, unless such licensee establishes that he or she was unable to enter such article due to reasons acceptable to the Licensing Authority. Such reduced historical quota share will be equal to the amount imported during the preceding quota year. If a historical license is not used by its holder in a given year, then the amount allocated to the holder for the following quota year shall be one-quarter of the basic annual allocation of that license. *Provided*, that, once such reduced quota share has been established, the quota share of the licensee in the following quota year will be restored to its full basic annual allocation if the licensee enters 85 percent or more of the reduced quota share during the quota year when it was established. This paragraph applies to a licensee who receives any extra quota shares from other reduced licenses or reallocated portions. If less than 85 percent of the combined total of the license amount and the reallocated amount is used, then the licensee will be ineligible for reallocated portions and in some cases for extra quota shares from other reduced licenses the following quota year whether or not the quota share in the following year is below the basic annual allocation for that license.

* * * * *

(e) * * *

(2) * * *

(ii) If, after a surrendered quota share is reallocated among licensees who hold a nonreduced license for such quota and apply for a portion of the reallocation, unallocated quantities of the quota still remain, such quantities may be allocated to other non-affiliated and non-associated applicants who have historical, nonhistorical or supplementary eligibility for any quota under the regulation for the remainder of the quota year in question. Quota shares allocated to such other applicants under this provision will be made in equal amounts of not less than 2,500 pounds each; except in the case of quota items the quota amounts for which are less than 10,000 pounds, which quota items will be allocated in equal shares of not less than 250 pounds each; except that no applicant will receive more than the amount requested in his or her application.

* * * * *

6. Section 6.29, paragraph (b)(3) is revised to read as follows:

§ 6.29 Suspension or revocation of eligibility.

* * * * *

(b) * * *

(3) Revocation of license eligibility.

The Licensing Authority, upon reasonable cause to believe—after records are reviewed and a preliminary investigation is made by the Department—that a licensee has violated the provisions of the regulation or has furnished false or incomplete information in connection with the application for or use of licenses issued hereunder, may, after notice to the licensee, revoke said licensee's eligibility (a permanent revocation of historical eligibility) and may bar such person from receiving any supplementary or nonhistorical licenses for a period of not more than three years. Any person whose eligibility has been revoked pursuant to provisions of this section will have the opportunity to appeal the determination to the Director, Dairy, Livestock and Poultry Division, Foreign Agricultural Service (FAS), or his or her designee within 30 days from the date of notification. The request for reconsideration will be presented in writing specifically stating any reason as to why such determination should not stand. The Director, Dairy, Livestock and Poultry Division, FAS will provide such person with an opportunity for a hearing on such matter. A further appeal may be made to the Administrator, FAS within five working days of the notification of the decision of the Director, Dairy, Livestock and Poultry Division, FAS.

(Sec. 3, Pub. L. 80-897, 82 Stat. 1248, as amended (7 U.S.C. 624); secs. 701, 703, Pub. L. 96-39, 93 Stat. 268, 272 (19 U.S.C. 1202 note). Part 3 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202))

Signed, this 2nd of January 1981.

Thomas R. Hughes,

Administrator, Foreign Agricultural Service.

[FR Doc. 81-479 Filed 1-6-81; 8:45 am]

BILLING CODE 3410-10-M

Wednesday
February 13, 1980

Federal Register

Part III

**Department of
Agriculture**

Foreign Agricultural Service

**Price-Undercutting of Domestic Cheese
by Quota Cheese**

DEPARTMENT OF AGRICULTURE**Foreign Agricultural Service****7 CFR Part 6****Price-Undercutting of Domestic Cheese by Quota Cheese****AGENCY:** Foreign Agricultural Service, USDA.**ACTION:** Final rule.

SUMMARY: The procedures set forth herein shall be applicable to determinations by the Secretary of Agriculture concerning whether the price at which any article of quota cheese is being offered for sale in the United States on a duty-paid wholesale basis is less than the domestic wholesale market price of similar articles produced in the United States as provided in Section 702 of the Trade Agreements Act of 1970 (P.L. 96-39) (hereinafter referred to as the Act). The Act requires the issuance of regulations pursuant to which determinations as to the "domestic wholesale market", "domestic wholesale market price", and the "duty-paid wholesale price" shall be made.

EFFECTIVE DATE: February 14, 1980.**FOR FURTHER INFORMATION CONTACT:**

Carol M. Harvey, Head, Dairy and Import Group Dairy, Livestock and Poultry Division, Commodity Programs, Foreign Agricultural Service, Room 6616, South Agriculture Building, U.S. Department of Agriculture, Washington, D.C. 20250 (202) 447-5270.

SUPPLEMENTARY INFORMATION: Section 702 of the Act requires the President to prohibit, in whole or in part, the entry of or to impose a fee on the importations of any article of quota cheese with respect to which it has been determined (1) by the Secretary of Commerce that a foreign government has been providing a subsidy and (2) by the Secretary of Agriculture that the duty-paid wholesale price of such cheese is less than the domestic wholesale price of a similar article produced in the United States, if the subsidy permitting the occurrence of price-undercutting is not eliminated or action is not taken to eliminate price-undercutting within 15 days of notification of the foreign government by the U.S. Trade Representative. Such notifications must take place within three days of the Secretary of Agriculture's determination. A proposed rule governing the making of determinations with respect to the providing of subsidies was published by the Department of Treasury in 44 FR 57044. Final rules pertaining to such determinations will be published by the,

Department of Commerce, rather than the Department of Treasury, in accordance with the transfer of functions prescribed by Executive Order No. 12185.

The proposed regulation implementing procedures for the determination required of the Secretary of Agriculture by Section 702 of the Act was published in the Federal Register on October 30, 1979. A sixty-day comment period ended on December 31, 1979. Written comments were received from 11 different entities. This final rule incorporates those meritorious comments which either serve to clarify the regulation or are administratively possible to implement and consistent with the intent of law.

Discussion of Major Comments; Definition and Finding of Subsidy

Two entities commented with regard to the definition of subsidy. One suggested a definition conforming with the definition found in the Act which indicates that a bounty or grant is synonymous with a subsidy. Although the final determination of what constitutes a subsidy is a function delegated to the Administering Authority (the Department of Commerce), this final rule changes the definition of subsidy as used in the proposed rule in order to reflect consideration of this comment. The second commentator felt that a definition should be more specific. However, the definition used here need not go beyond the statutory definition since the Administering Authority will make the final determination.

A third entity commented that the burden of proof to establish the existence of a subsidy not previously determined should be on the complainant. This observation was rejected since it appears that this would be contrary to the Act which requires only that the complainant allege that a foreign government is providing a subsidy with respect to the article of quota cheese alleged to be involved in the price-undercutting.

The Domestic Wholesale Market

The definition of "domestic market area" has been revised to make it clear that such area shall be one or more of the three major U.S. market areas, viz., New York City, Chicago and San Francisco, and/or any other market area within the Customs Territory of the United States which is determined by the Investigating Authority to be most representative of the area specified in the complaint.

Similar Domestic Article

Five entities commented on the indicia proposed to be used in determining whether an item is a similar domestic article. Generally the concern was that the indicia were too broad and unclear, and that in each case the Investigating Authority would have to find that there was a similar domestic article. Such was not intended in the proposed rule. The Investigating Authority will go through the steps indicated in § 6.43(a)(4) to determine similarity of end use of the cheese identified in the complaint, and once such similarity is established, will examine the characteristics which make the cheese truly similar. These have been somewhat more clearly defined for retail cheese in § 6.43(a)(4) than they were in the proposed rule. Language has been added to § 6.43(a)(4) to assure that imported imitation cheese will only be compared with imitation domestic cheese. Also it is now explicitly stated that if it is determined that the domestic cheese and the quota cheese designated in the complaint are not found to be similar, then there will be no finding of price-undercutting.

The Determination of Representative Duty-Paid and Domestic Wholesale Market Prices

Four entities presented various comments regarding the representative duty-paid and domestic wholesale market prices. The Act authorizes comparison of the price at which imported cheese is offered for sale with the domestic wholesale market price. Since any sale price was at one time an offer price, we have provided in the regulation for the use of sale or offer prices in determining the duty-paid wholesale price of the article of quota cheese. It was meticulously pointed out by the Department of Justice in its comments on the proposed rule that the Act does not authorize the use of offer prices in deriving representative domestic wholesale market prices. The use of offer prices, which may or may not be representative of actual transaction prices, could and probably would artificially raise the price level at which price-undercutting could occur. The words "or offered for sale" have accordingly been deleted from reference to the domestic wholesale price.

Two other commentators suggested that the concept of an average price be replaced by consideration of a specific transaction price for both the quota cheese and the domestic article determined to be similar to it. It appears that this is not consistent with the purpose of Section 702 of the Act, viz., to

prevent a subsidized quota cheese from a particular country from undercutting the U.S. market; therefore, the averaging procedure provided for in the proposed rule has been retained.

Further comments regarding the averaging of prices indicate some clarification was needed. In that respect it should be noted that a new proviso has been added to the definitions of "duty-paid wholesale price" and "domestic wholesale market price" to make it clear that for a designated area which is not or does not include one of the major market areas, the Investigating Authority could adjust the average of prices determined for such area on the basis of the average of prices determined for the major market area which is determined to be the most representative of the designated area, while taking into account any special factors which may effect the prices in the designated area. The substance of this proviso was included in the definition of "domestic wholesale market" in the proposed rule but it has been determined that such material more appropriately belonged in the definitions of "duty-paid wholesale price" and "domestic wholesale market price."

Finally, one commentator expressed concern that notice in the Federal Register would alert importers to an investigation and cause them to raise their offer prices during the investigation. Since neither the Act nor the legislative history require such notification, and since the effect noted by the commentator might result from such notice, this provision has been eliminated.

An Acceptable Complaint

One entity pointed out that an acceptable complaint required to initiate an investigation was not described. However, it appears that the contents of § 6.42(b) constitute the description necessary. The appropriate reference is now made in § 6.43(a).

Two entities commented further that the item in § 6.42(b)(8), i.e., the names and addresses of the firms benefitting from the subsidy in the exporting country, would in all likelihood not be available to a complainant. For this reason it has been eliminated from the contents required in a complaint. The remaining items listed in that section should be available to any complainant; where there might be some difficulty the requirement is qualified by the phrase "to the extent known to the complainant."

Another entity proposed a mandatory requirement that every acceptable complaint be accompanied by a sample.

Providing a sample will be helpful where available, but a sample often may not be available to a private individual. In such a case the Investigating Authority has the authority to obtain the necessary samples.

Who May Submit a Complaint

Four entities opposed the idea of allowing "any person" to file a complaint. However, this wording has been used in accordance with the Act which specifically provides that any person may file a complaint.

Other

All references to the Secretary of the Treasury in the proposed rule have been changed to the Secretary of Commerce in accordance with the reorganization of international trade functions of the executive as directed in Executive Order No. 12185, signed on January 2, 1980.

Section 702 of the Act and the legislative history (S. Rep. No. 249, 96th Cong., 1st Sess. 199 (1979), H. Rep. No. 317, 96th Cong., 1st Sess. 140 (1979)) related thereto indicate that Congress intended the provisions contained herein to be issued on or as near to January 1, 1980, as possible. In view of this constraint, it has been determined that good cause exists for not postponing the effective date of this final rule until 30 days after publication in the Federal Register (5 U.S.C. 553).

Accordingly, 7 CFR, Part 6, is amended by adding a new Subpart—Price-Undercutting of Domestic Cheese by Quota Cheeses—as follows:

Subpart—Price-Undercutting of Domestic Cheese by Quota Cheeses

- § 6.40 General.
- § 6.41 Definitions.
- § 6.42 Complaints of Price-Undercutting.
- § 6.43 Determinations.
- § 6.44 Delegation of Authority.

Authority: Sec. 702, P.L. 96-39, 93 Stat. 144, 19 U.S.C. 1202 note.

§ 6.40 General.

This subpart sets forth the procedures applicable to the determination by the Secretary of Agriculture as to whether the price at which any article of quota cheese is being offered for sale in the United States on a duty-paid wholesale basis is less than the domestic wholesale market price of similar articles produced in the United States (i.e., price-undercutting) in accordance with Section 702 of the Trade Agreements Act of 1979 (Pub. L. 96-39, 93 Stat. 144, 19 U.S.C. 1202 note) (hereinafter referred to as the Act).

§ 6.41 Definitions.

(a) "Complainant" means the person who has filed with the Investigating

Authority, in accordance with the procedures set forth in this Subpart, a written complaint alleging that price-undercutting is occurring.

(b) "Country of origin" means the country, as defined in 19 CFR 134.1(b), in which the quota article subject to this regulation was produced or manufactured.

(c) "Foreign government" means the government of the country of origin or, for purposes of determining whether a subsidy has been provided for the member states of the European Economic Community, the subsidy granting bodies of the European Economic Community.

(d) "Investigating Authority" means the Director, Dairy, Livestock and Poultry Division, Commodity Programs, Foreign Agricultural Service.

(e) "Quota cheese" means the articles provided for in the following items of the Tariff Schedules of the United States:

- 117.00 (except Stilton produced in the United Kingdom);
- 117.05 (except Stilton produced in the United Kingdom);
- 117.15;
- 117.20;
- 117.25;
- 117.42;
- 117.44;
- 117.55;
- 117.60 (except Gammelost and Nokkelost);
- 117.75 (except goat's milk cheeses and soft-ripened cow's milk cheeses);
- 117.81;
- 117.86;
- 117.88 (except goat's milk cheeses and soft-ripened cow's milk cheeses);

(f) "Secretary" means the Secretary of Agriculture.

(g) "Subsidy" has the same meaning as such term has in Section 771(5) of the Tariff Act of 1930 as added by Section 101 of the Trade Agreements Act of 1979 (19 USC 1677(5)).

(h) The "United States" means the Customs Territory of the United States, which is limited to the United States, District of Columbia and Puerto Rico.

§ 6.42 Complaints of price-undercutting.

(a) *Submission of complaint.* Any person who has reason to believe that the price at which any article of quota cheese is offered for sale or sold in the United States on a duty-paid wholesale price basis is less than the domestic wholesale market price of similar articles produced in the United States and that a foreign government is providing a subsidy with respect to such article of quota cheese may file with the Investigating Authority a written complaint making such allegation.

(b) *Contents of complaint.* Such complaint shall contain, or be

accompanied by, information to substantiate complainant's allegations, in substantially the following form:

- (1) The name and address of the complainant.
- (2) The location of the domestic wholesale market in which price-undercutting is alleged to be occurring.
- (3) The article of quota cheese involved in the alleged price-undercutting.
- (4) The country of origin of such article of quota cheese.
- (5) The similar domestic article, the price of which the complainant believes is being undercut.
- (6) The month and year that the complainant first concluded that the price-undercutting was taking place.
- (7) To extent known to the complainant, all pertinent facts with regard to the alleged subsidy, and, if known, the statutory or other authority under which it is paid, the manner in which it is paid, and the value of such subsidy when received and used by producers or sellers of such quota cheese.
- (8) All other information which the complainant believes substantiates the allegation of price-undercutting, including the complainant's estimate of the domestic wholesale market price of the similar article produced in the United States and the duty-paid wholesale price of the quota cheese involved. If available, samples of the domestic and imported cheese products should be submitted.

§ 6.43 Determinations.

(a) *Making determinations.* Not later than 30 days after receiving an acceptable complaint, as described in § 6.42(b), alleging price-undercutting, the Secretary shall make a determination as to the validity of the allegation. In making such determination, the following shall apply:

(1) The "domestic wholesale market" shall be one or more of the three major U.S. market areas, viz., New York City, Chicago, and San Francisco, and/or any other market area within the Customs Territory of the United States, which the Investigating Authority determines most representative of the area specified by the complainant as the one in which price-undercutting is alleged to be occurring (hereinafter referred to as "designated area").

(2) The "duty-paid wholesale price" determined by the Investigating Authority shall be the average of prices at which wholesalers have sold or offered for sale in the designated area the article of quota cheese alleged to be involved in price-undercutting, as obtained in a survey directed by the

Investigating Authority during the investigation. Provided, That whenever the designated area is not or does not include one of the major market areas specified in paragraph (a)(1) of this section, the Investigating Authority may adjust the average of prices determined for such designated area on the basis of the average of prices determined for the major market area which is determined to be the most representative of the designated area, taking into consideration any special factors which may be affecting prices in the designated area.

(3) The "domestic wholesale market price" determined by the Investigating Authority for a similar article produced in the United States to that article of quota cheese which is alleged to be involved in price-undercutting shall be the average of prices at which wholesalers have sold the similar article produced in the United States in the designated area, as obtained in a survey directed by the Investigating Authority during the investigation: Provided, That whenever the designated area is not or does not include one of the major market areas specified in paragraph (a)(1) of this section, the Investigating Authority may adjust the average of prices determined for such designated area on the basis of the average of prices determined for the major market area which is determined to be the most representative of the designated area, taking into consideration any special factors which may be affecting prices in the designated area.

(4) "Similar article produced in the United States" shall be an article of cheese, cheese product, or imitation cheese produced in the United States and marketed in the domestic wholesale market, which is determined by the Investigating Authority, based upon available information to be most like the imported article of quota cheese alleged to be involved in price-undercutting, in terms of its physical properties and end use. In making this determination, first consideration shall be given to the normal end uses of the article produced in the United States in comparison with the end use of the article of quota cheese alleged to be involved in price-undercutting. If the end use of both articles is determined to be the same (e.g., processing or retail sale), the physical characteristics of the two articles shall be considered.

If the common end use of the two articles is processing, the representative samples of the two articles shall be examined in terms of processing quality, taking special note of processing yields. If the common end use of the two

articles is retail sale, representative samples of the two articles shall be examined in terms of similarities of taste, texture, general appearance, quality, age, and packaging. Imported imitation quota cheese shall only be compared with imitation domestic cheese. If it is determined that the domestic cheese the price of which is claimed to be undercut is not similar to the quota cheese allegedly undercutting it, there shall be no finding of price-undercutting.

(b) *Reporting determinations.* Determinations by the Secretary as to the validity of allegations of price-undercutting made under this Subpart shall be published in the Federal Register not later than 5 days after the date the determination is made.

§ 6.44 Delegation of authority.

The powers vested in the Administrator, FAS, insofar as such powers relate to the functions of the Investigating Authority by this regulation are hereby delegated to the Investigating Authority.

This final rule has been reviewed under the USDA criteria established to implement Executive Order 12044, "Improving Government Regulations." A determination has been made that this action should not be classified "significant" under those criteria. A Final Impact Statement has been prepared and is available from Carol M. Harvey, in Room 6622, South Agriculture Building, 14th and Independence Ave., SW., Washington, D.C. 20250.

Signed this 12th of February, 1980.

Thomas R. Hughes,
Administrator, Foreign Agricultural Service.

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